

Sylvan Lake Affordable Housing Needs Assessment



Prepared for

The Town of Sylvan Lake



prepared by

housing *strategies inc.*

December 2007

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Housing Strategies Inc.
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Acknowledgements

Acknowledgements

Housing Strategies Inc. wishes to thank the following people for their input and assistance in the development of this Affordable Housing Needs Assessment:

Members of the Sylvan Lake Social Housing Committee:

Marlene Curtis	Director, Community & Social Development
Denise Bignold	Community member
Susan Hurtak	Community member
Lynda Sills-Fiedler	Town Councilor

Mayor and Council for the Town of Sylvan Lake

Senior Staff of the Town of Sylvan Lake

The Staff of Community and Social Development

Members of the Community Economic Development Board

All the citizens, service groups, agencies and local business owners that participated in this study and provided their invaluable input.

Executive Summary

Executive Summary

1.0 Introduction

1.1 Purpose of This Study

Like many communities throughout Alberta, Sylvan Lake has been experiencing significant increases in housing development and costs. Increased housing costs have led to issues around housing affordability and choice for low- and modest-income residents in the community. As a result, the Sylvan Lake *Social Housing Advisory Committee* engaged Housing Strategies Inc. of Calgary, Alberta to develop an Affordable Housing Needs Assessment and Strategy to assist the Town in responding to the housing affordability needs of its residents. The objectives of this initiative were twofold:

1. To conduct an *Affordable Housing Needs Assessment* that will identify the range of current and projected affordable housing needs facing the Municipality; and
2. To develop an *Affordable Housing Strategy* that will provide direction to the Town on strategies to implement in order to address the community's identified housing needs.

1.2 What is Affordable Housing?

CMHC defines housing affordability as being within 30% of a household's before-tax income. Given this definition, affordable housing is necessarily going to be different for different people. What is affordable to a household earning a combined annual income of \$200,000 will differ from that of a household earning \$50,000 per year.

Households that are paying more than 30% of their income on appropriate housing are considered to be paying too much for housing and are, therefore, unable to afford their other basic needs. Households in this situation are deemed to be in “core housing need.”

1.3 Why is Affordable Housing Important?

A well balanced supply of housing that meets the varied needs of a diverse population is essential to a healthy and vibrant community. A diverse economy – especially one that focuses on retail, services and tourism – needs a diversity of housing for all of its workers earning all variety of incomes. A community that cannot house its workforce may find its economic viability in question.

If one accepts the notions that for an economy (the business environment) to remain healthy, vibrant and sustainable, it must be diverse; and if the same holds true for the natural environment, then it becomes intuitively correct that the same should also hold true for a community (the social environment). A diverse community contains a variety of household types and sizes and a population at various stages and life cycles – all with different and overlapping housing needs. Providing a variety of safe, appropriate, and affordable housing opportunities for all residents and life cycles therefore becomes essential in order to maintain a healthy, vibrant and sustainable community.

Anecdotal evidence derived from the focus group meetings indicates that Sylvan Lake may be experiencing numerous negative impacts as a result of declining housing affordability and choice. These impacts include:

- Family impacts (e.g., family stability);
- Social impacts (e.g., social isolation);
- Health impacts (e.g., physical and mental health);
- Educational impacts (e.g., educational attainment and upgrading); and
- Economic impacts (e.g., challenges with recruiting staff, staff turnover, reduced service).

Together, these impacts may be having a spiraling effect on both individuals and the community as a whole, affecting its long term health, economic sustainability and social vitality. The lack of an appropriate range of housing affordability and choice may, therefore, be preventing Sylvan Lake from achieving its Community Vision to the fullest degree possible in terms of:

1. Natural Beauty
2. Living Together
3. People Connecting
4. Healthy Living
5. Balance

2.0 Key Findings – Population and Income

2.1 Permanent Population Growth

Over the past fifteen years (between 1991 and 2006), the Town's population has increased 142.5% with an average annual growth rate of 9.5% – almost five times that of the province as a whole (2.0%). Over the past ten years (1996 to 2006) the Town's population has grown at an average annual rate of 9.7% compared to 2.2% for the province as a whole.

This rapid population growth suggests that the community may be experiencing significant supply and demand pressures affecting the cost of housing. This pressure has likely been exacerbated by increased demand in the recreational, resort and investment property markets.

2.2 Demographic Change

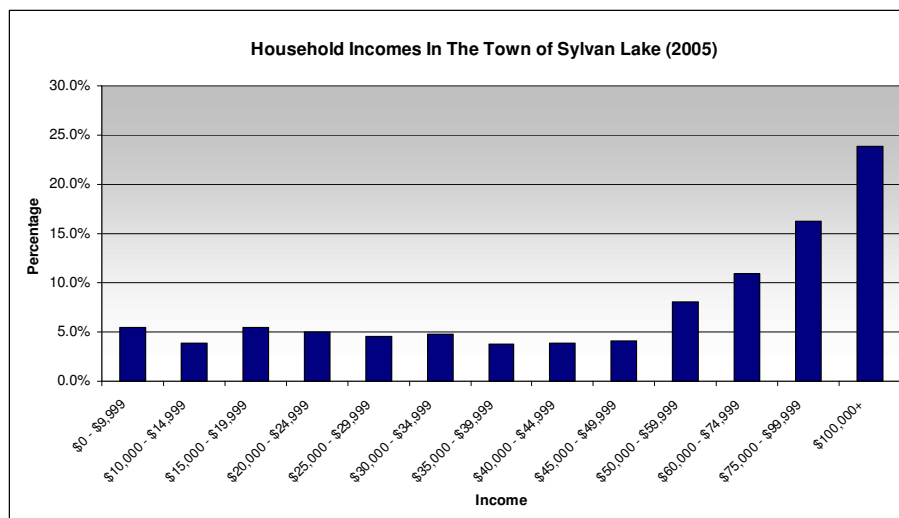
In addition to rapid population growth, the community has experienced significant demographic changes. While the actual number of residents within each age cohort has increased over time, it appears that the relative proportion of both seniors (ages 65 and above) and children (ages 14 and under) are declining. The most dramatic increase is in the relative proportion of young adults (ages 20 – 24).

Despite the relative decline in the percentage of children in Sylvan Lake, the community appears to have a higher proportion of families with children (i.e., adults ages 25 – 54 and children ages 14 and below) as compared to the province as a whole.

2.3 Household Incomes

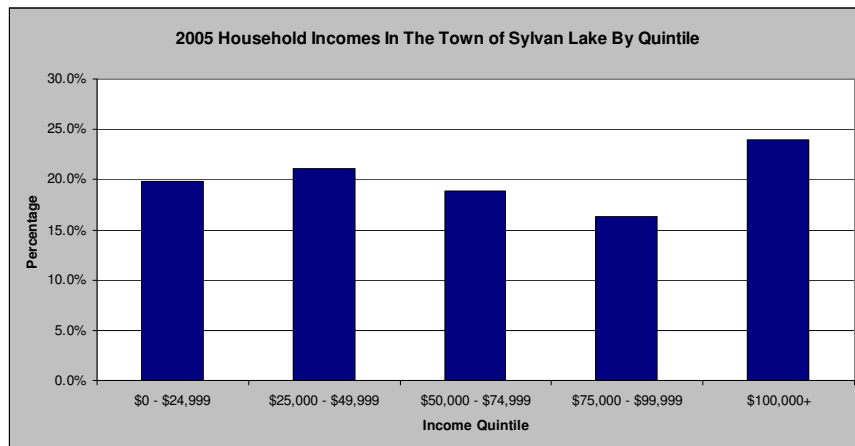
Sylvan Lake appears to be a very affluent community with a large percentage of high-income earners and relatively low percentages of low-in-come earners. (The figure below uses official income data from Statistics Canada but paints a very similar picture to that derived from the Towns recent Municipal Census).

2005 Household Incomes in the Town of Sylvan Lake



Note, however, that this income information may be somewhat deceiving. In the figure above, the lower income ranges are arranged around a \$5,000 spread (e.g., the difference between \$25,000 and \$25,999) whereas the higher income ranges are arranged around larger spreads (e.g., \$75,000 to \$99,999 and \$100,000+). The second figure shows a different version of the same data but organized into income quintiles. According to this figure, the highest percentage of income earners in Sylvan Lake are earning \$100,000 and above. However, an almost equal percentage of households earn incomes between \$25,000 and \$49,999. Approximately 41% of all households in Sylvan Lake earn less than \$50,000 per year.

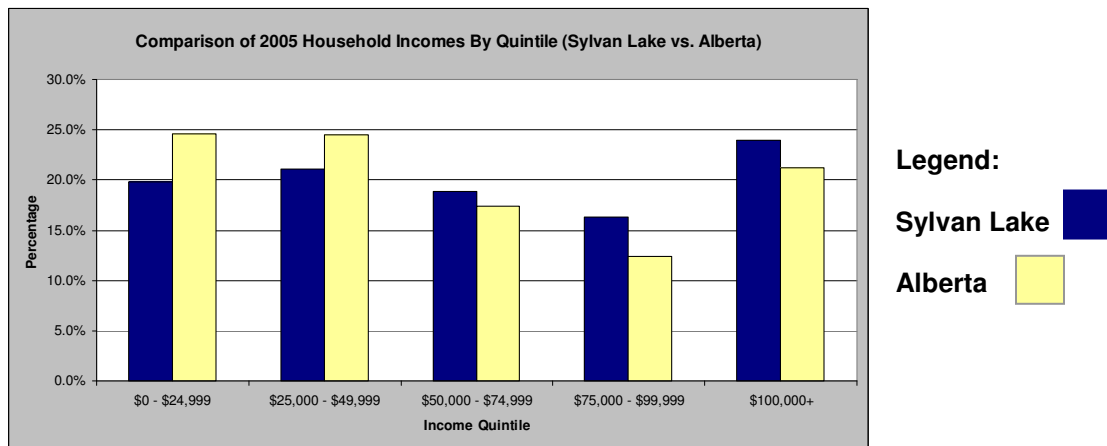
2005 Household Incomes in the Town of Sylvan Lake by Quintile



When compared to the province as a whole, Sylvan Lake continues to remain overall a relatively affluent community. However, not everyone in Sylvan Lake is benefiting equally from this relative degree of affluence. There continues to be a large proportion of households in the community earning incomes at or below \$25,000 (some households are even earning less than \$10,000).

This has important implications for housing affordability and choice.

Comparison of 2005 Household Incomes by Quintile for the Town of Sylvan Lake and Province of Alberta



3.0 Key Findings – Housing Supply

3.1 Ownership Housing in Sylvan Lake

An estimated 76.7% of homes in Sylvan Lake are owned according to Statistics Canada. These homes include:

- Modular/mobile homes (located both in rental parks and on privately-owned land);
- Stacked townhouses (i.e., apartment-style condominiums);
- Townhouses;
- Duplexes, triplexes and fourplexes;
- Single detached homes (Bungalows, 1-1/2 Storey, 2 Level Split, etc.); and
- A variety of recreational properties.

Between January and September 2007, a total of 331 homes were sold in the community ranging in sale price from \$150,000 to \$1,700,000. The average sale price of these homes showed a steady increase from \$339,325 during the first quarter of 2007 to \$387,675 during the third quarter of 2007 (a 14.2% increase).

A survey of Multiple List Service (MLS) online listings of homes for sale in Sylvan Lake in October 2007 found that the average list price of homes for sale in Sylvan Lake (not including mobile homes on rented land – some of which must be moved by June 30, 2008) was approximately \$429,245 while the median list price (that list price where 50% of homes for sale are above and 50% are below) was \$357,900.

An analysis of the current entry-level housing market (the lowest 25% of homes available for purchase) found that a household would have to earn between \$46,500 and \$73,500 in order to purchase an entry-level home in Sylvan Lake. First-time homebuyers earning less than \$45,000 would not likely be able to afford most entry-level homes in Sylvan Lake without a sizeable downpayment.

3.2 Rental Housing in Sylvan Lake

An estimated 23.3% of homes in Sylvan Lake are owned according to Statistics Canada. According to the 2007 *Alberta Apartment Vacancy and Rental Cost Survey* conducted by Alberta Municipal Affairs and Housing, the current average monthly rent for units in Sylvan Lake are:

- Bachelor units: \$495
- One-bedroom units: \$562
- Two-bedroom units: \$664
- Three-bedroom units: \$784

Actual rents vary greatly from the average according to the survey. For example:

- Monthly rents for one-bedroom units ranged from \$475 to \$640;
- Monthly rents for two-bedroom units ranged from \$510 to \$1,050; and
- Monthly rents for three-bedroom units or larger ranged from \$550 to \$1,075.

Anecdotal evidence derived during the focus group meetings and key person interviews indicates that monthly rents for two- and three-bedroom units may actually be higher with some units renting for \$1,200 and more.

Based on this data, households in Sylvan Lake earning annual incomes of less than \$19,000 are not likely to be able to find suitable, affordable rental accommodations based on CMHC's standard of not paying more than 30% of one's before tax income. A household earning less than \$19,000 per year would not be able to afford even the lowest price rental unit (a one-bedroom unit) identified in the 2007 *Alberta Apartment Vacancy and Rental Cost Survey*.

3.3 Near-Market Housing in Sylvan Lake

Near-market housing generally consists of the follows options:

- Limited/shared equity homeownership options such as:
 - Housing Co-operatives
 - Co-housing
 - Perpetually affordable/resale restricted housing
- Staff-oriented rental accommodations
- Subsidized/social rental housing
 - Rent-g geared-to-income rental units
 - Rent supplements

There are currently no limited/shared equity homeownership opportunities in Sylvan Lake in the form of either a housing co-op, co-housing or perpetually affordable/resale restricted homeownership. Nor did this study identify any staff-oriented rental housing (e.g., staff accommodations for community service workers such as RCMP officers).

There are currently seven (7) rent-g geared-to-income community housing units in Sylvan Lake that are owned and managed by the Red Deer Housing Authority. These homes consist of single-detached dwellings and duplexes ranging in size from two- to three-bedrooms that are made available to low-income families with children at 30% of their gross (before-tax) income. The Red Deer Housing Authority also provides rent supplements to nine (9) Sylvan Lake tenant households.

3.4 Seniors Housing in Sylvan Lake

There are currently approximately 134 housing units dedicated to seniors in Sylvan Lake. These include:

- Independent Living/Self-Contained (12 units)
- Seniors' Assisted Living (60 units)
- Seniors' Supportive Living (22 units)
- Continuing Care (40 beds)

4.0 Housing Needs in Sylvan Lake

Sylvan Lake appears to be experiencing increased and ongoing challenges with housing affordability and choice. Housing challenges and/or hardships can be described using three standard categories:

1. Adequacy
2. Suitability
3. Affordability

4.1 Housing Adequacy

Housing adequacy refers to the physical safety of an individual dwelling. Housing is considered inadequate if it requires major repairs and/or is lacking necessary services and basic facilities. Major repairs refer to plumbing, electrical, ventilation systems, disposal systems, and the structural components of a house that might warrant it being unsafe. Basic facilities refer to potable hot and cold running water, and full bathroom facilities including an indoor toilet and a bathtub or shower. Additionally, housing is not adequate if it is infested with vermin or black mould.

Based on Statistics Canada Census data for 2001, as many as 210 homes (7.9%) within the Town may have been in need of major repairs and, therefore, could have been considered inadequate in 2001. However, since that time, the number of such homes has declined to 3.7% according to Statistics Canada. This represents an estimated 135 of the total 3,665 homes identified in the 2006 Census.

Examples of inadequacy issues cited during the key person interviews and focus group meetings include:

- Homes both with poor insulation and windows/doors that leak cold air leading to significant heating bills, especially during the winter months;
- Homes affected by recent flood damage;
- Noise between apartments and in basement suited due to thin walls, lack of sound insulation and/or poor construction;
- Lack of grading, snow plowing and sanding of back alleys and roads in the trailer parks causing problems for cars and pedestrians; and
- An apartment building in the community that appears to be subsiding into the ground.

Additional anecdotal evidence suggests that a number of older trailers in the trailer parks may be structurally stable and adequate as long as they are not moved. However, to move them could seriously jeopardize their structural integrity.

Accessibility was also identified as an issue for some in the community. The community generally lacks accessible and barrier-free units for persons with physical mobility and stamina limitations (including seniors, persons with brain injuries and physically disabled children and adults).

Accessibility in terms of proximity and ease of access to basic services was also cited as a problem for some low- and moderate-income households.

4.2 Housing Suitability

Housing suitability refers to the size of the home in terms of bedrooms compared to the size of the family living in that home. National Occupancy Standards set minimum criteria for number of persons per bedroom and level of privacy for members of a household. These standards require:

- A maximum of two persons per bedroom;
- That the parent(s)'s bedroom be separate from that of the children(s)'s;
- That family members over the age of 17 not share a bedroom, and
- That family members over four years of age and of the opposite gender not share a bedroom.

Households that are unable to meet these occupancy standards are said to be living in overcrowded or unsuitable housing conditions.

There are currently no published data directly related to housing suitability in Sylvan Lake. However, Statistics Canada has identified that 0.8% of all private occupied dwellings (an estimated 30 dwellings in total) have more than one person per room.

Anecdotal evidence derived from key person interviews and focus group meetings indicates that there may be several low- and moderate-income families and single individuals in Sylvan Lake living in overcrowded conditions or having to share accommodations with incompatible people.

4.3 Housing Affordability

Housing affordability relates to the ability of individual households to meet their monthly rent or mortgage payments within a reasonable threshold of their income. CMHC has determined that housing is affordable if it costs no more than 30% of a household's before-tax monthly income for rent or mortgage payments. In order to estimate the number of households within the Town of Sylvan Lake that are potentially facing housing hardships due to the cost of market housing, two standard measures were used:

1. The 2006 Low-Income Cutoffs (LICOs – pronounced “lie-koes”) as published by Statistics Canada; and
2. The 2007 Core Need Income Thresholds (CNITs – pronounced “snits”) as published by Alberta Municipal Affairs and Housing.

These measures were compared to income data derived from Statistics Canada Taxfiler data for 2005 (the most recent data currently published).

Another analysis prepared by Statistics Canada using 2001 Census data was also used to complement the analysis.

4.3.1 Statistics Canada 2006 Low-Income Cutoffs

The *Low-Income Cutoff* (LICO) is a measure developed by Statistics Canada to estimate the number of households who could be considered “low-income” (as the name implies). LICO looks at what an average household spends on basic needs (food, clothing, and shelter) to determine at what income level households may be unable to meet their basic needs. While the measure is not designed specifically to assess “poverty”¹, the LICO is often used as such. Rather, Statistics Canada uses the LICO to estimate the number of households likely to be living under what it calls “straitened circumstances.”

An estimated **630 economic households** in Sylvan Lake earn incomes at or below LICO. This represents approximately 13.7% of all economic households identified in the Taxfiler data as living in Sylvan Lake in 2005. These households include approximately 1,205 residents (11.8% of the 2006 Canada Census population) of which an estimated 340 are single individuals and 405 are children.

4.3.2 Alberta Municipal Affairs and Housing 2007 Core Need Income Thresholds

Core Need Income Thresholds (CNITs – pronounced “snits”) are established on an annual basis by Canada Mortgage and Housing Corporation (CMHC) and Alberta Municipal Affairs and Housing. Core housing need is a measure used to determine the number of households who must pay in excess of 30% of their gross (i.e., before-tax) income in order to acquire safe, adequate and suitable median-rental housing. Therefore, CNITs are often used to determine eligibility for subsidized housing/rent subsidies.

CNITs are based on 30% of the identified median market rents within a particular community. Households with annual incomes equal to or less than CNIT are said to have insufficient incomes to afford the on-going costs of suitable and adequate rental units in their area.

An estimated **830 economic households** within Sylvan Lake earn incomes at or below the 2007 CNIT and, therefore, may not earn sufficient incomes to afford housing appropriate in size (i.e., number of bedrooms) for their needs. This represents approximately 18.0% of all *economic* households identified in the Taxfiler data as living in Sylvan Lake in 2005. These households include approximately 1,425 residents (14.0% of the 2006 Canada Census population) of which an estimated 520 are single individuals and 455 are children.

¹ Statistics Canada makes it very clear that the LICO is not a measure of actual poverty. However, it is one of several standard measures accepted across the country as just that.

4.3.3 Statistics Canada 2001 Analysis

Another analysis of affordable housing need within the Town of Sylvan Lake (although somewhat outdated in terms of data used) shows somewhat different figures. Using 2001 Census Data, Statistics Canada has estimated the number of households in Sylvan Lake:

1. Spending 30% or more of their income on housing; and
2. Spending 30%-99% of their income on housing.

Statistics Canada estimated that between **540 and 660 census households** in the community (20.2% - 24.7%) were paying in excess of 30% of their income on housing in 2001. This included between 215 and 255 tenant households and between 325 and 405 homeowners.

Should these percentages have remained constant between 2001 and 2006, it is estimated that between **740 and 905 census households** in Sylvan Lake *may* currently be paying 30% or more of their income on housing. This represents between 2,000 and 2,445 residents (or 19.6% - 23.9% of the total estimated 2006 population).

4.3.4 Households Paying More Than 50% of Their Income on Housing

Based on the published 2007 CNITs, it is possible to derive an estimate of the number of Sylvan Lake households paying 50% or more of their income on shelter. These households might be considered in “dire” housing need and therefore a high-priority target group.

Based on 2005 Taxfiler data, there may be as many as **410 economic households** within Sylvan Lake who are paying 50% or more of their before-tax income on housing. This represents approximately 9.0% of all *economic* households identified in the Taxfiler data as living in Sylvan Lake in 2005. These households include approximately 705 residents (6.9% of the 2006 Canada Census population) of which an estimated 240 are single individuals and 245 are children.

4.3.5 Anecdotal Evidence of Housing Affordability Issues

Housing affordability issues primarily affect low- and moderate-income families regardless of age group, family type or size, background or physical ability. Low- and moderate-income households typically affected by housing affordability in Sylvan Lake include:

- Single adults (young adults as well as older adults);
- Childless couples;
- Lone-parent families;
- Two-parent families with children;
- Persons with special needs (physical or developmental disabilities, brain injury, or mental illness);
- Parents with children leaving abusive relationships; and
- Seniors with limited or no assets;

Individuals and families experiencing difficulty with housing affordability in Sylvan Lake also include more “middle-class” households (i.e., households earning average or above-average incomes) who are faced with job loss, downsizing, divorce, long-term illness, and severe accident (e.g., brain injury, paraplegia, quadriplegia). These major life changes have affected either their ability to earn money or their particular housing needs (or both).

Other “middle-class” households who appear to be experiencing housing affordability challenges in Sylvan Lake include:

- Young professionals just starting their careers;
- People of all ages and walks of life only recently attempting to enter the housing market (by choice or otherwise); and
- Empty-nesters and seniors who own their homes and wish to downsize but, even after selling their homes, cannot find or afford what they would consider a more appropriate and accessible home in the community due to the high cost of new homes being built.

5.0 Affordable Housing Targets

The two housing targets for Sylvan Lake are as follows:

1. The **high-needs** group consisting of households estimated to be paying 50% or more of their before-tax household income on housing; and
2. The **medium-needs** group consisting of households estimated to be paying between 30% and 49% of their before-tax household income on housing.

According to the 2005 Taxfiler data, there may be as many as 410 economic households in the *high-needs* target group and as many as 420 economic households ($830 - 410 = 420$) in the *medium-needs* target group.

The *high-needs* target group will likely require a combination of heavily subsidized housing (rent-geared-to-income) for singles and families with children and various types of supportive housing (e.g., group homes) for persons with severe disabilities. Maximum monthly housing payments (rents) for households in the high-needs target group range from \$330 to \$510 depending on the size of household.

The *medium-needs* group will likely benefit from a combination of moderately-subsidized rental housing and below-market/non-profit ownership housing (e.g., limited or shared equity homeownership). It is unlikely that any of the households identified in either the high-needs or medium-needs target groups would be able to afford homeownership without a combination of public subsidies (e.g., housing grants), municipal regulations and incentives, and resale restrictions applied to higher density developments such as stacked condominiums and townhouses. Maximum monthly housing payments (rents) for households in the medium-needs target group range from \$550 to \$850 depending on the size of household.

5.1 Affordable Housing Priorities

Based on the figures presented above and assuming that half (50%) of the identified potential need (in terms of households in core and dire need) is already being met within the existing housing stock (i.e., low- and moderate-income households who were able to purchase their homes several years ago when housing prices were relatively more affordable), it is reasonable to assume that Sylvan Lake **may be in need of as many 400 new affordable housing units**.

These units would include a combination of:

- Emergency and transitional shelters (e.g., supportive housing for youth leaving home and individuals with and without children leaving abusive relationships);
- Long-term supportive housing (e.g., housing for low- and moderate-income seniors as well as persons with disabilities, including brain injury);
- Rent-geared-to-income apartment units, townhouses and single family homes and rent subsidies (e.g., social housing and rent subsidies for low-income singles, couples, and one- or two-parent families with children);
- Manufactured homes (mobile homes) on rented or leased land; and
- Resale-restricted near-market and entry-level homeownership.

These identified target dwelling types are based on perceived gaps in the housing continuum (see below) as identified by local individuals participating in the focus group meetings and key person interviews. Based on this feedback, Sylvan Lake is lacking sufficient housing throughout the lower end of the housing continuum.

Figure 5: The Housing Continuum



5.1.1 Short-Term (Immediate) Housing Priorities

Based on feedback during the focus group meetings and key person interviews, the most pressing and immediate priority for Sylvan Lake is to deal with the pending evictions from the Four Season's mobile home park. Anecdotal evidence indicates that the vast majority of the homes in the park cannot be moved for two reasons:

1. Most of the units are too old and newer mobile home parks will not accept any homes older than 2 years; and
2. Most of the homes in the park are not structurally sound enough to move even if another park would take them. While these homes may be fine where they are now if they are left alone, attempts to move them could result in irreparable damage.

If an appropriate solution to these evictions is not found, there is the potential for some of the residents currently living in the park may end up homeless as some of the residents can barely afford the land rents they are paying now let alone the going rates for rental apartments in town.

A second pressing need in the community is rent-geared-to-income housing for very-low income households currently living in campers, in eight-month rentals, or in unsuitable or extremely inadequate housing (e.g., cottages and trailers located in either of the parks not facing a June 2008 eviction). There are currently seven rent-geared-to-income homes in the community owned and operated by the Red Deer Housing Authority. Opportunities may be available through the Municipal Sustainability Housing Program and Capital Enhancement Program to increase the supply of this housing in the community by:

- Purchasing additional units on the open market;
- Re-profiling the existing units (i.e., selling the units and using the proceeds to purchase or build more appropriate units elsewhere in the community);
- Renovating five of the seven existing units (i.e., the five units that are single-detached homes) to include legally-conforming basement suites; or
- A combination of the above.

5.1.2 Longer-Term (Ongoing) Housing Priorities

In addition to the immediate needs identified above, Sylvan Lake is has an ongoing need for more rental housing that is affordable to households earning incomes less than \$35,000. This would include a variety of modest two- and three-bedroom units renting for between \$500 and \$850 per month. Given the high construction costs for new housing, the price of land in the community, and market forces, it is unlikely that these target rents could be achieved without a combination of municipal incentives, capital grants and rent subsidies.

In terms of homeownership, this would include modest-sized homes targeted to households earning between \$35,000 and \$50,000. Depending on current interest rates and the size of an individual household's downpayment, homes that are affordable to this income group range in price between \$100,000 and \$175,000. Again, given the high construction costs for new housing, the price of land in the community, and market forces, it is unlikely that these target rents could be achieved without significant public subsidies in the form of municipal incentives and capital grants. In the interest of long-term sustainability, any efforts to address this latter priority should focus on maintaining *perpetual affordability* through a combination of leasehold interest homeownership and resale formulas and restrictions.

A mechanism for identifying the specific number of households in each category along with their particular housing needs and affordability thresholds will need to be established in order to help the Town demonstrate need and work with the private and/or non-profit sectors to develop housing to meet these needs. The Town is also encouraged to explore opportunities for Home Ownership Education and Training (e.g., as provided through the HOME Program centered in Edmonton) to help educate and pre-qualify moderate-income households seeking homeownership.

Chapter 1

Introduction to the Affordable Housing Needs Assessment

1.0 Purpose of This Study

Like many communities throughout Alberta, Sylvan Lake has been experiencing significant increases in housing development and costs. Increased housing costs have led to issues around housing affordability and choice for low- and modest-income residents in the community. As a result, the Sylvan Lake *Social Housing Advisory Committee* has engaged Housing Strategies Inc. of Calgary, Alberta to develop an Affordable Housing Needs Assessment and Strategy to assist the Town in responding to the housing affordability needs of its residents.

The objectives of this initiative are twofold:

1. To conduct an *Affordable Housing Needs Assessment* that will identify the range of current and projected affordable housing needs facing the Municipality; and
2. To develop an *Affordable Housing Strategy* that will provide direction to the Town on strategies to implement in order to address the community's identified housing needs.

2.0 What is Affordable Housing?

CMHC defines housing affordability as being within 30% of a household's before-tax income. Households that are paying more than 30% of their income on appropriate housing are considered to be paying too much for housing and are, therefore, unable to

afford their other basic needs. Households in this situation are deemed to be in “core housing need.”

Given this definition, affordable housing is necessarily going to be different for different people. What is affordable to a household earning a combined annual income of \$200,000 will likely be a large single-detached home on a fair sized lot with a lake view and possibly lake access. What is affordable to a household earning \$85,000 per year may be an older single-detached home on a smaller lot without the view. A household earning \$50,000 per year will need something more modest such as a smaller townhouse or condominium apartment. A household earning \$30,000 will need something even more modest such as a manufactured home or a rental apartment.

The stereotypes of the past given to “affordable housing” rarely apply today. Municipal design guidelines and more sensitive consideration to the outward appearance and compatibility of new housing developments means that affordable housing designed for low- and modest-income households often fits well with the surrounding homes. Furthermore, given the rapid escalation in housing prices throughout Alberta over the past ten years, those households requiring more “affordable housing” may not necessarily be earning incomes that much lower than many of the households already living in the neighbourhood who were able to purchase their home several years prior.

What makes housing more affordable is often a combination of smaller size, simpler design (fewer adornments), less expensive interior finishes, and government grants. Instead of a 1,000 square foot condo, the more affordable unit may be 700 square feet. Vinyl siding or stucco is likely to cover the outside instead of cedar shakes. The floors are likely to be covered with linoleum and laminate instead of engineered hard wood and porcelain tile. The kitchen counter tops are likely going to be made of laminate instead of granite.

3.0 Why is Affordable Housing Important?

A well balanced supply of housing that meets the varied needs of a diverse population is essential to a healthy and vibrant community. A diverse economy – especially one that focuses on retail, services and tourism – needs a diversity of housing for all of its workers earning all variety of incomes. A community that cannot house its workforce may find its economic viability in question.

The community also needs a variety of housing options to meet the changing needs of its population over time. As people move through their life cycles (singles, young families, established families, empty nesters, retirees, independent seniors, supported seniors), their housing needs change. If the community does not provide enough housing opportunities to meet those changing needs, people are either forced to leave the community or live in unsuitable, inadequate and unaffordable housing.

While an individual household may be fine at the moment in terms of their ability to meet their particular housing needs affordability within Sylvan Lake, as the saying goes, “anything can happen.” Job loss, divorce, long-term illness, a severe accident, addictions, the birth of a new child, increases to mortgage rates upon renewal can happen to anyone at any time. Any of these factors, or a combination, could seriously affect one’s earning ability and/or monthly household expenses making it more difficult to

remain affordably housed. The community, therefore, needs a range of housing opportunities to address these eventualities.

4.0 The Planning Context for Affordable Housing in Sylvan Lake

Ensuring an adequate supply of housing to meet the needs of a growing and diverse population is recognized in the *Town of Sylvan Lake Municipal Development Plan* (the MDP). One of the key objectives of the MDP is:

1.3 (4) To facilitate access to adequate housing regardless of people's income ability or structural or functional need.²

Imbedded in policy is the following requirement:

1.4 (6) In new developments, innovative housing designs to provide for the aged and low income people will be encouraged.³

These statements are consistent with the Town's Vision to enhance the overall small town character, safety and social networks of the community along with creating a favorable climate for economic development – particularly in tourism, where jobs are often part-time, seasonal and tend to pay lower if not minimum wages.

The Town recognizes the need to “(p)rovide for a wide range of housing choice” within the downtown and waterfront areas⁴ and within the South Area Structure Plan, “(t)he provision of affordable housing should be addressed in Outline Plans in consultation with the development authority.”⁵

5.0 Affordable Housing and Sylvan Lake's Community Vision

Affordable housing is consistent with each component of Sylvan Lake's community Vision.

Natural Beauty

The people of Sylvan Lake take pride in the natural beauty of the lake. Residents, visitors, business and government work together to preserve, maintain and enhance our beautiful natural surroundings. All neighbourhoods have attractive recreational and pleasure green spaces. The trails, parks, beaches, lake and facilities are clean and accessible. The community uses sound environmental and energy efficient practices.

A common strategy used to achieve greater housing affordability is to increase densities. Increased density leads to more efficient use of land which reduces the land cost component of each unit. Affordable housing is therefore compatible with the underlying

² Town of Sylvan Lake Municipal Development Plan, Adopted by Bylaw No. 1111/96, November 12, 1996 as Amended March, 2003 (page 5).

³ Ibid., page 7.

⁴ Town of Sylvan Lake Waterfront Area Redevelopment Plan, May 24, 2006 (page 29).

⁵ Town of Sylvan Lake South Area Structure Plan Bylaw 1426/2007 (Section 5.3.11, page 9).

principles behind Transit Oriented Development (TOD), New Urbanism, and SmartGrowth – all of which promote more sustainable growth through more effective use of land more environmentally friendly day-to-day activities (e.g., walking, cycling, use of public transit, etc.)

Living Together

Sylvan Lake is a community of good neighbours with a spirit of caring and cooperation. People share a strong sense of belonging and pride in the community. People are safe in Sylvan Lake - at home, at school, at work and on the streets. Crime is rare. Injuries are few. Children, youth, adults, seniors and families are respected, valued, and have a vital role in the life of the community. All take a lead in planning community activities and celebrations.

People who are living unaffordably and unable to make ends meet often feel marginalized and excluded from the community. Due to their precarious financial situations, they are more likely to experience instances of physical and/or emotional abuse including domestic violence. They also often feel judged by others, undervalued, and disrespected – especially when prejudice leads to discrimination in the rental market, statements supporting the removal of trailer parks (their homes) and the feeling that the broader community would simply rather they move somewhere else. This discrimination against people of lesser economic means is a clear contradiction to the notion that “Sylvan Lake is a community of good neighbours with a spirit of caring and cooperation.”

People Connecting

People communicate, are informed and involved in community life. Citizens, agencies, institutions and elected officials connect well with each other. Citizen input is sought, valued and used in making decisions for Sylvan Lake. Information shared is timely and clear on community events, issues, programs, and services. Public, private and volunteer organizations work together. Everyone shares in community work and leisure.

People living unaffordably and unable to make ends meet are more likely to isolate themselves in response to perceived discrimination. They are less able to participate in the economic life of the community and therefore shop less, socialize less, attend fewer community events, and volunteer less. This leads to a breakdown in the degree to which people are involved, informed and connected in community life. A clear indication of this breakdown is the lack of participation among those households identified to be in need of more affordable housing during the focus group meetings for this study.

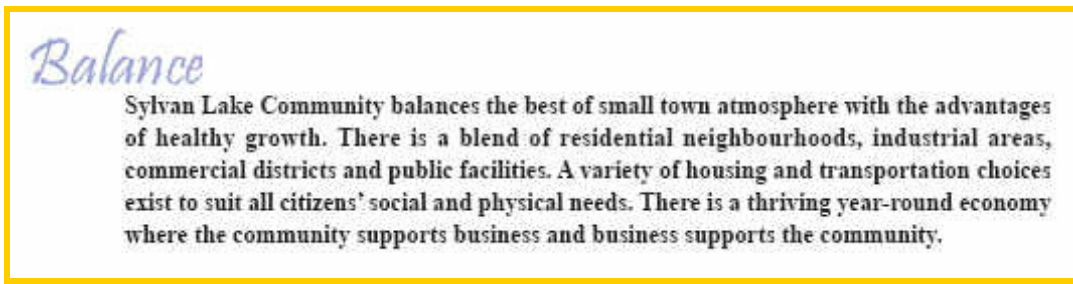
Healthy Living

Children, youth, adults, seniors and families are healthy in mind, body and spirit. Information, support and resources are available and provided locally to make wise health decisions. Caring, qualified personnel provide competent service to all age groups.

People living unaffordably and unable to make ends meet tend to have less time, energy and money to spend on preventive health and maintaining a healthy diet. The lack of a healthy, stable diet can lead to a variety of medical problems down the road (which may be further exacerbated by high levels of stress – ulcers, for example). Lack of disposable income can mean that people may not be maintaining regular health check ups (e.g., going to the dentist) which can lead to chronic health problems down the road. Furthermore, households with affordability problems are less able to afford needed medicines. Children from families with inadequate housing are significantly more likely to get sick and more likely to be hospitalized due to illness.

The inability to make ends meet can also have a significant impact on the emotional well-being of individuals in the community (e.g., lowered self-esteem, chronic feelings of helplessness and hopelessness, etc.). These feelings can lead to chronic or severe depression and anxiety. In some cases, people may turn to drugs and alcohol to alleviate their feelings of despair – which can lead to substance abuse. For males who find their egos eroding because they feel they cannot adequately care for their families, feelings of frustration can lead to anger and violence.

Overall, these issues tend to lead to increased use and reliance on social and community services related to poverty (e.g., the local food bank, social assistance, etc.);



Sylvan Lake may not have sufficient variety of housing in terms of price ranges needed “to suit all citizens’ social and physical needs.” This may be affecting the local economy – especially since Sylvan Lake’s economy focuses primarily on retails, services and tourism. A large portion of the workers in these industries often work part-time, on a seasonal basis, and/or for below-average wages (or at least wages insufficient to allow them to afford the going rate for housing in the community). Anecdotal evidence points to businesses experiencing difficulty finding qualified staff, higher rates of turnover, and younger children entering the workforce leading to some businesses reducing shifts and an overall decline the level and quality of service in the community.

6.0 Project Methodology

The methodology used to develop the Sylvan Lake Affordable Housing Needs Assessment and Strategy was organized into two phases:

Phase One involved a qualitative and quantitative review of the community’s full range of housing issues and needs across the continuum, culminating in a comprehensive Affordable Housing Needs Assessment. The Needs Assessment is designed to focus on both the short-term (immediate) and long-term (projected) needs in the community in four key housing needs –

choice, affordability, quality and supports/services – and the degree to which those needs are currently being met.

Phase Two involved identifying innovative, creative, and cost-saving strategies that the Town could pursue in order to meet the housing needs as identified in the Needs Assessment.

The methodology combined a general literature review with statistical analyses (quantitative), key person interviews and focus group meetings (qualitative). A comprehensive analysis of existing statistical data helped to identify:

- Local population and demographic trends (permanent vs. temporary/seasonal residents);
- Local household characteristics (household composition and income trends);
- The local housing stock (including current supply, form and tenure);
- Estimates related to housing adequacy, suitability, and affordability;
- Estimates of core housing needs (including individuals and groups most likely to be at risk of being in core housing need); and
- Other indicators of housing/economic hardship (where data is currently and readily available).

Additional *qualitative* data was collected through key person interviews and focus group meetings to provide anecdotal evidence and texture (the human side of the facts and figures) to the *quantitative* findings. The interviews and focus group meetings helped to elaborate the particular housing challenges faced by various groups in the community as well as describe some of the impacts these challenges may be having not only on individual households but on the community as a whole.

The literature review included a review and evaluation of existing municipal housing strategies in order to develop a catalogue of options and strategies for the Town to consider in improving housing affordability and choice in the community. These options were presented to senior Town staff for consideration prior to developing the overall framework for the Affordable Housing Strategy.

4.0 Quantitative Data Sources

The primary quantitative data used to conduct this analysis was derived from a combination of the following sources:

- Statistics Canada data sources (1996, 2001 and 2006 Canada Census data and 2001-2005 Taxfiler data);
- The Town of Sylvan Lake 2007 Census;
- Housing statistics from the Town's Planning Department;
- The *2007 Apartment Vacancy and Rental Cost Survey* prepared by Alberta Municipal Affairs and Housing;
- The *2007 Core Need Income Thresholds* prepared by Alberta Municipal Affairs and Housing; and
- The 2006 Low-Income Cutoffs prepared by Statistics Canada.

Chapter 2

About Sylvan Lake

1.0 Introduction

Sylvan Lake's favorable location along the Edmonton to Calgary corridor, rapid growth over the past ten years, and recreational lake setting have in part contributed to the challenges the community is experiencing in terms of housing affordability and choice. This chapter briefly describes Sylvan Lake's regional context and some of the factors that may be leading to increased supply and demand pressures on the community's existing housing stock.

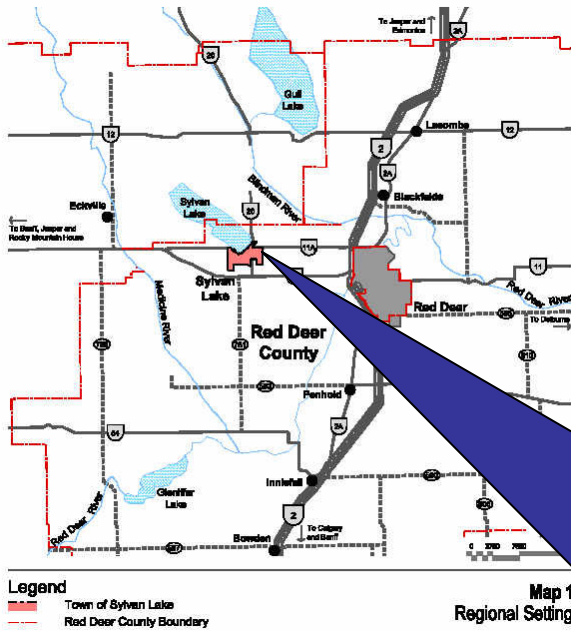
2.0 Location

The Town of Sylvan Lake rests along the southeast shores of Sylvan Lake – one of the most popular tourist destinations in Alberta (see Map 1). The Town is approximately 18 kilometers (20 minutes) from the outskirts of Red Deer and is, therefore, centrally located between Edmonton and Calgary. The Edmonton-Calgary corridor is recognized as one of Canada's strongest and most economically productive corridors in Canada.

3.0 Economy

Tourism provides a major economic base for Sylvan Lake. During the summer months, the area provides a variety of outdoor activities including swimming, boating, waterskiing, fishing, camping and golfing. The community is also home to the second largest marina in the province. During the winter months, the lake area provides opportunities for skating, skidoing and cross-country skiing.

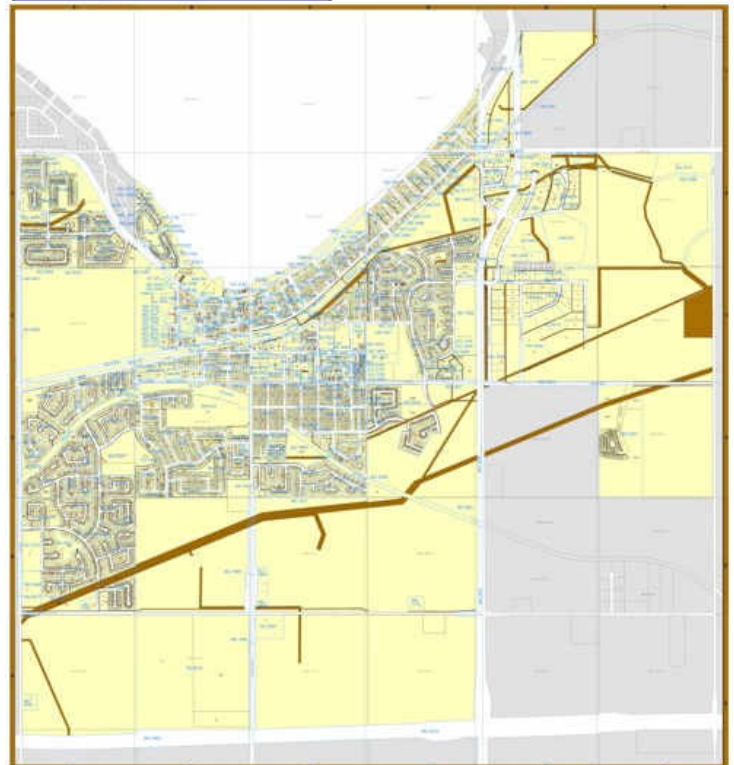
Map 1: Town of Sylvan Lake, Alberta



Map Source: Town of Sylvan Lake
<http://www.town.sylvan-lake.ab.ca/area-redevelopment-plan.htm>



Map Source: Parks Canada website
<http://www.parkscanada.gc.ca/pn-np/ab/jasper>



Map Source: Town of Sylvan Lake
<http://www.sylvanlake.ca:8008/gis/?q=node/10>

According to the 2001 Canada Census, the two most important industries based on the percentage of residents employed are business and community services (36.4%) and retail and wholesale (18.5%). These two sectors make up more than half of the jobs in Sylvan Lake.

Oil and gas also provides an important economic base for the community. Oil and gas activity in the surrounding region as well as throughout Alberta provides not only jobs to Sylvan Lake residents but also supports the overall economy that is leading to increased investment in recreational resort communities.

4.0 Population

Sylvan Lake's strategic location, natural environment and economic base have greatly influenced the community's population. Over the past ten years, Sylvan Lake has been one of the fastest growing communities in Canada with an annual average growth rate exceeding 9%. This growth rate far outpaces that of the province.

5.0 Impacts of the Recreation and Resort Property Market

As mentioned above, Sylvan Lake has long been a destination resort for seasonal and summer vacationers. It is expected that the recreational and resort property market is having a strong impact on the Sylvan Lake housing market – especially given the extreme wealth being generated by Alberta's oil and gas boom – in terms of increased supply and demand pressure.

Chapter 3

Sylvan Lake's Permanent Population and Household Income Analysis

1.0 Introduction

Sylvan Lake has been experiencing tremendous population growth over the past ten to fifteen years suggesting that the community may be experiencing significant supply and demand pressures affecting the cost of housing. The combination of population growth, demographic changes, changing income levels, and increased investment in recreation properties has led to an increase in housing affordability challenges in the community.

This chapter examines statistics for Sylvan Lake's permanent population in order to gain a better sense of the community's changing demographics and income profiles as they relate to housing.

2.0 Permanent Population Characteristics

The following summary of Sylvan Lake's *permanent* population characteristics is based primarily on Statistics Canada Census data. Statistics Canada collects Census data every five years. Every household in Canada is included in the Census. As a result, the national census provides one of the most comprehensive population data sets available.

2.1 Permanent Population Growth

Table 1 shows permanent population changes for the Town of Sylvan Lake between 1991 and 2006 based on Statistics Canada Census data. According to this data, Sylvan Lake has been experiencing dramatic growth over the past fifteen years. Between 1991 and 1996, the Town's official population grew by 23.0% (close to 970 individuals). Between 1996 and 2001, the Town's population grew at an even faster rate of 44.9% (2,325 individuals). Since 2001, the Town's growth rate has "slowed" somewhat to 36.1%. However, the actual number of new permanent residents moving into the community over that five-year period has caused the largest population increase to date (2,705 individuals).

Sylvan Lake's growth rates have by far exceeded those of the province as a whole throughout the past fifteen years – in some cases by more than four times the rate (e.g., 10.3% for Alberta between 1996 and 2001 compared to 44.9% for Sylvan Lake during that same period).

Rapid population growth can cause significant supply and demand pressures driving the cost of housing up if the development industry is unable to keep up with that pace. A number of factors can affect this including shortages of developable land, trades labor and construction materials.

**Table 1: Official Populations
(1991, 1996, 2001 and 2006 Statistics Canada Census Data)**

Characteristics	Town of Sylvan Lake	Province of Alberta
Total Population in 1991	4,210	2,545,553
Total Population in 1996	5,178	2,696,826
Total Population in 2001	7,503	2,974,807
Total Population in 2006	10,208	3,290,350
1991 to 1996 Total Population Change (%)	23.0%	5.9%
1996 to 2001 Total Population Change (%)	44.9%	10.3%
2001 to 2006 Total Population Change (%)	36.1%	10.6%
1991 to 2006 Total Population Change (%)	142.5%	29.3%
Avg. Annual Total Pop. Change 1991-2006 (%)	9.5%	2.0%
Avg. Annual Total Pop. Change 1996-2006 (%)	9.7%	2.2%

Data Source:

Statistics Canada 1996, 2001 and 2006 internet published Census data (<http://www.statcan.ca>)

2.2 Permanent Population Projections

Population projections are made possible based on the observed changes over the past fifteen years in the Census data. As shown in Table 1 above, over the past *ten* years (1996 – 2006), Sylvan Lake's permanent population grew by an average rate of 9.7% per year and by an average rate of 9.5% per year over the past *fifteen* years (1991 –

2006. Table 2 provides two population projections – one based on the ten-year average (9.7%) and the other based on the fifteen-year average (9.5%).

Table 2: Population Projections (2006 – 2016) Based on 1991 - 2006 Statistics Canada Census Data (10- and 15-Year Average Population Change)

Year	Town of Sylvan Lake	Percent (%) Change
1991	4,210	N/A
1996	5,178	23.0%
2001	7,503	44.9%
2006	10,208	36.1%
	10-Year Average	15 Year Average
	9.7%	9.5%
2007	11,198	11,178
2008	12,284	12,240
2009	13,476	13,402
2010	14,783	14,676
2011	16,217	16,070
2012	17,790	17,596
2013	19,516	19,268
2014	21,409	21,099
2015	23,486	23,103
2016	25,764	25,298

Data Source:

Statistics Canada 1996, 2001 and 2006 internet published Census data (<http://www.statcan.ca>)

If either of these two average annual growth rates is maintained into the future, Sylvan Lake could potentially see its permanent population exceed 23,000 residents within the within the next ten years. Factors that would influence the communities continued growth include the continued strength of the Alberta economy, the supply of developable land within the Town’s boundaries and the overall affordability (and diversity) of the community’s housing stock (i.e., whether or not there is a supply of housing available to meet the needs of this growing population).

2.3 Demographic Changes

Table 3 (next page) shows the breakdown of Sylvan Lake’s permanent population by age based on the 1996, 2001 and 2006 Statistics Canada Census data. Using the three census periods allows us to see the degree to which age profiles have changed in the community over the last ten years.

**Table 3: Age Characteristics for the Permanent Population of the Town of Sylvan Lake
(1996, 2001 and 2006 Census Data)**

Age Cohorts	1996		2001		2006		Total Change (1996 - 2006)	Relative Change (1996 - 2006)
	Total	% of Total	Total	% of Total	Total	% of Total		
Age 0-4	440	8.5%	635	8.5%	855	8.4%	94.3%	- 1.6%
Age 5-14	915	17.7%	1285	17.1%	1635	16.0%	78.7%	- 9.5%
Age 15-19	340	6.6%	565	7.5%	710	7.0%	108.8%	5.8%
Age 20-24	260	5.0%	450	6.0%	780	7.6%	200.0%	52.0%
Age 25-54	2,460	47.5%	3,600	48.0%	4,860	47.6%	97.6%	0.1%
Age 55-64	330	6.4%	460	6.1%	670	6.6%	103.0%	2.9%
Age 65-74	260	5.0%	300	4.0%	385	3.8%	48.1%	- 25.0%
Age 75+	170	3.3%	200	2.7%	320	3.1%	88.2%	- 4.6%
Total	5,175	100.0%	7,495	100.0%	10,215	100.0%	N/A	N/A

Data Source:

Statistics Canada 1996, 2001 and 2006 internet published Census data (<http://www.statcan.ca>)

NOTE: Data are subject to rounding

In addition to rapid population growth, the community has experienced significant demographic changes. While the actual number of residents within each age cohort has increased over time, it appears that the relative proportion of both seniors (ages 65 and above) and children (ages 14 and under) are declining. In 1996, children ages 14 and under made up 26.2% of the total population. However, in 2006, children ages 14 and under make up 24.4% of the total population. In 1996, seniors ages 65 and over made up 8.3% of the total. In 2006, seniors ages 65 and over make up 6.9% of the total. The overall proportion of adults ages 25-54 has remained relatively stable over the past ten years (47.5% in 1996 and 47.6% in 2006). However, the community has seen a dramatic increase in the proportion of young adults (ages 20 – 24). In 1996, this age group made up 5.0% of the total population. In 2006, this age group now makes up 7.6% of the total.

This data suggests that Sylvan Lake may not be experiencing the overall aging of the population in the same way that many other communities across Alberta (and Canada) are experiencing this trend – even though Sylvan Lake has seen a 64% increase since 1996 in the total number of seniors ages 65 and over living in the community. This data also supports the anecdotal observations expressed during the key person interviews that “Sylvan Lake is a young community.” It is expected that many of these young adults may be single individuals (as opposed to married couples) who are just starting their careers, which may have implications for housing affordability depending upon which industry (e.g., retail and tourism/hospitality vs. oil and gas) they have chosen as their career.

Table 4 (next page) collapses the information shown in Table 3 above to show the changes in Sylvan Lake’s permanent population based on three categories: 1) children; 2) adults; and 3) seniors. According to this table, the overall proportion of children and youth under the age of 19 has declined over the past ten years by 4.4% and the overall proportion of seniors ages 65 and over has decreased by 16.9%. Conversely, the overall proportion of adults (ages 20-64) has increased by 4.8%. This data should not be interpreted to mean that Sylvan Lake does not have to take into consideration the housing needs of seniors and families with children in its planning. As the data clearly

shows, the *actual* number of seniors has increased by approximately 275 individuals since 1996 and the *actual* number of children and youth in the community has increased by approximately 1,505 individuals. Rather, this data should be interpreted to mean that Sylvan Lake is likely experiencing housing issues that span the full range of age groups and household types – including seniors, singles of all ages and a variety of families with or without children.

Table 4: Age Characteristics for the Permanent Population of the Town of Sylvan Lake (1996, 2001 and 2006 Census Data)

Population Characteristics	1996		2001		2006		%Change of Total Pop. (1996 to 2006)
	Total	% of Total	Total	% of Total	Total	% of Total	
Age 0-19	1,695	32.8%	2,485	33.2%	3,200	31.3%	- 4.4%
Age 20-64	3,050	58.9%	4,510	60.2%	6,310	61.8%	4.8%
Age 65 and over	430	8.3%	500	6.7%	705	6.9%	- 16.9%
Total	5,175	100.0%	7,495	100.0%	10,215	100.0%	N/A

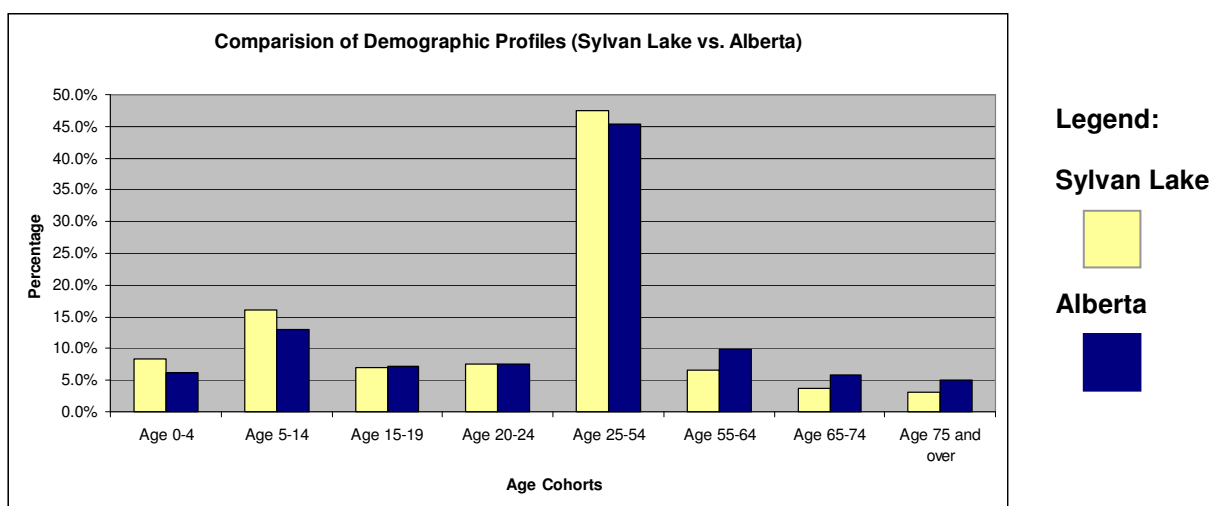
Data Source:

Statistics Canada 1996, 2001 and 2006 internet published Census data (<http://www.statcan.ca>)

NOTE: Data are subject to rounding

Figure 1 compares the 2006 demographic profile of Sylvan Lake to that of the Province of Alberta. It shows that while the proportion of children and youth may be declining compared to the overall population and the proportion of adults (ages 25-54) remains relatively stable, Sylvan Lake has a noticeably higher percentage of children (ages 14 and under) and adults (ages 25-54) than the provincial average. Conversely, while the proportion of young adults (ages 20-24) may have increased dramatically in Sylvan Lake over the past ten years, this increase appears to have brought the Town's population in line with provincial averages. In terms of seniors, the relative decline in the proportion of adults ages 65 and over in Sylvan Lake is further highlighted when compared to the province as a whole.

Figure 1: Comparison of the Demographic Profiles of the Town of Sylvan Lake and the Province of Alberta (2006 Census Data)



Data Source:

Statistics Canada 2006 internet published Census data (<http://www.statcan.ca>)

These different ways of looking at the population data support the notion that Sylvan Lake is a relatively young community but that the town's particular housing needs may be complex and varied.

3.0 Household Characteristics

The following summary of household characteristics is based on Statistics Canada Taxfiler data for the years 2001-2005 (the most recent data available). Taxfiler data is compiled by Statistics Canada through information provided on all personal income tax returns filed within a given year. The data combines information on levels and sources of income from taxfilers and demographic indicators derived from both the taxfilers and their non-filing dependents. Taxfiler data is typically two years behind in being published (hence the most recent data being 2005).

3.1 Household Composition

Table 5 shows the distribution of households by family type in the Town of Sylvan Lake for the years 2001 and 2005.

**Table 5: Household Characteristics Within the Town of Sylvan Lake
By Family Type (2001 and 2005)**

Household Characteristics	2001 Total	2001 %	2005 Total	2005 %	Percent Change (#)	Percent Change (%)
Couple	2,160	58.2%	2,680	58.1%	24.1%	-0.1%
Lone-Parent	390	10.5%	440	9.5%	12.8%	-9.2%
Non-Family Persons	1,160	31.3%	1,490	32.3%	28.4%	3.4%
Total All Households	3,710	100.0%	4,610	100.0%	N/A	N/A

Data Source:

Statistics Canada Small Area and Data Division (Taxfiler Data)

NOTE: numbers are subject to rounding and suppression

As with most communities in Canada, couple (two-parent) families consistently make up the largest proportion of households. This is followed by non-family persons (single individuals) and then by lone-parent families. Consistent with increases in the total population, the total number of couple families increased by 24.1% between 2001 and 2005, while the total number of lone-parent families increased by 12.8% and the total number of single individuals increased by 28.4%. Similarly consistent with changes in the community's demographic profile, the relative proportion of couple families declined but only slightly by 0.1% and the relative proportion of lone-parent families declined by 9.2%. These declines were affected largely by the 3.4% increase in the relative proportion of single individuals (consistent with the increase in the relative proportion of young adults ages 20-24).

An increase in the number of single individuals can have an important impact on housing affordability issues; particularly if there are limited housing choices that are appropriate to individuals living alone. Single individuals typically require smaller homes (e.g.,

smaller single-detached homes, townhouses, duplexes and apartments) and only have a single income with which to afford rent or mortgage payments (that is unless they are able to and chose to co-habitate). Young singles are likely to be less established in their careers and therefore earning relatively lower incomes. However, they are also generally more willing to share housing with roommates. Neither scenario is always the case. Some young adults may be working in the oil and gas industry making average to higher-than-average wages. Other young adults may have experienced difficulties living with roommates and therefore prefer to live alone despite earning more modest incomes in the retail and tourism/hospitality industry.

As with the analysis presented in section 2.3 above, it is important to look beyond just the changes in relative proportions and look at actual increases. Table 6 shows the breakdown of lone-parent families in Sylvan Lake based on whether they are led by single fathers or by single mothers.

**Table 6: Lone-Parent Households Within the Town of Sylvan Lake
(2001, 2003 and 2005)**

Year	Total	Female-Led	% Female-Led	Male-Led	% Male-Led
2001	390	320	82.1%	70	17.9%
2003	410	350	85.4%	60	14.6%
2005	440	380	86.4%	60	13.6%

Data Source:

Statistics Canada Small Area and Data Division (Taxfiler Data)

NOTE: numbers are subject to rounding and suppression

As with most communities across Alberta and Canada, single *mothers* vastly outnumber single *fathers* in Sylvan Lake. In 2005, the number of single mothers was more than six times the number of single fathers. When compared to similar data for the province as a whole (Table 7 – next page), this ratio is somewhat surprising. While single mothers continue to vastly outnumber single-fathers at the provincial level, the ratio is closer to *five-to-one*. Since women generally earn lower wages on average than men, communities experiencing significant issues with housing affordability would be expected to have lower ratios of female-to-male-led single parent families.⁶ These findings could point either to a larger number of single mothers (and women in general) earning above average incomes in Sylvan Lake compared to provincial averages or to a larger-than-average supply of relatively more affordable housing in Sylvan Lake making it easier for single mothers to live in the community (or both).

⁶ For example, in Invermere, BC, the ratio of single mothers to single fathers is approximately 3-to-1 compared to a provincial average of 6-to-1 suggesting that high housing prices in Invermere are making it extremely difficult for single mothers to remain in the community.

**Table 7: Lone-Parent Households Within the Province of Alberta
(2001, 2003 and 2005)**

Year	Total	Female-Led	% Female-Led	Male-Led	% Male-Led
2001	130,410	109,810	84.2%	20,600	15.8%
2003	135,060	113,310	83.9%	21,750	16.1%
2005	140,580	118,200	84.1%	22,380	15.9%

Data Source:

Statistics Canada Small Area and Data Division (Taxfiler Data)

NOTE: numbers are subject to rounding and suppression

A large number of single-parent families in a community can also have an important impact on housing affordability issues. Single-parent families typically require homes similar in size to two-parent families yet typically only have one income with which to afford rent or mortgage payments (support payments vary and are not always collected consistently). This can be especially problematic when the vast majority of single parents are female led since (as mentioned above) women tend on average to earn less than men.

3.2 Household Income

Table 8 (next page) shows the distribution of household incomes in 2005 based on household type as derived from Taxfiler data. This table shows that there is a wide spread of incomes among two-parent families, one-parent families and single individuals alike.

More than half of all two-parent families (59.3%) – often with two income earners in the household – are earning annual household incomes at or above \$75,000. Approximately 80.6% of two-parent families with and without children are earning annual household incomes at or above \$50,000. Conversely, more than half (56.0%) of all single individuals are earning incomes below \$35,000 and half of all lone-parent families (50.0%) are earning incomes below \$30,000. There are, however, a number of lone-parent families earning incomes at or above \$50,000 (suggesting that there are single mothers in the community earning above average incomes as suggested above) as well as single individuals. There are also a number of two-parent families with and without children earning incomes below \$30,000.

In terms of median incomes (the income level where 50% of households earn above that amount and 50% earn below that amount), two-parent families are earning almost *three times* that of lone-parent families (\$85,300 compared to \$29,000) and single individuals (\$85,300 compared to \$30,900).

Table 8: 2005 Household Incomes in the Town of Sylvan Lake By Household Type

Family Income	Couple		Lone-Parent		Non-Family		Total	
\$0 - \$9,999	30	1.1%	60	13.6%	160	10.8%	250	5.4%
\$10,000 - \$14,999	20	0.7%	40	9.1%	120	8.1%	180	3.9%
\$15,000 - \$19,999	20	0.7%	50	11.4%	180	12.2%	250	5.4%
\$20,000 - \$24,999	40	1.5%	40	9.1%	150	10.1%	230	5.0%
\$25,000 - \$29,999	70	2.6%	30	6.8%	110	7.4%	210	4.6%
\$30,000 - \$34,999	80	3.0%	30	6.8%	110	7.4%	220	4.8%
\$35,000 - \$39,999	70	2.6%	30	6.8%	70	4.7%	170	3.7%
\$40,000 - \$44,999	80	3.0%	30	6.8%	70	4.7%	180	3.9%
\$45,000 - \$49,999	110	4.1%	20	4.5%	60	4.1%	190	4.1%
\$50,000 - \$59,999	220	8.2%	30	6.8%	120	8.1%	370	8.0%
\$60,000 - \$74,999	350	13.1%	30	6.8%	120	8.1%	500	10.9%
\$75,000 - \$99,999	600	22.4%	30	6.8%	120	8.1%	750	16.3%
\$100,000+	990	36.9%	20	4.5%	90	6.1%	1,100	23.9%
Total	2,680	100.0%	440	100.0%	1,480	100.0%	4,600	100.0%
Median Income	\$85,300		\$29,000		\$30,900			

Data Source:

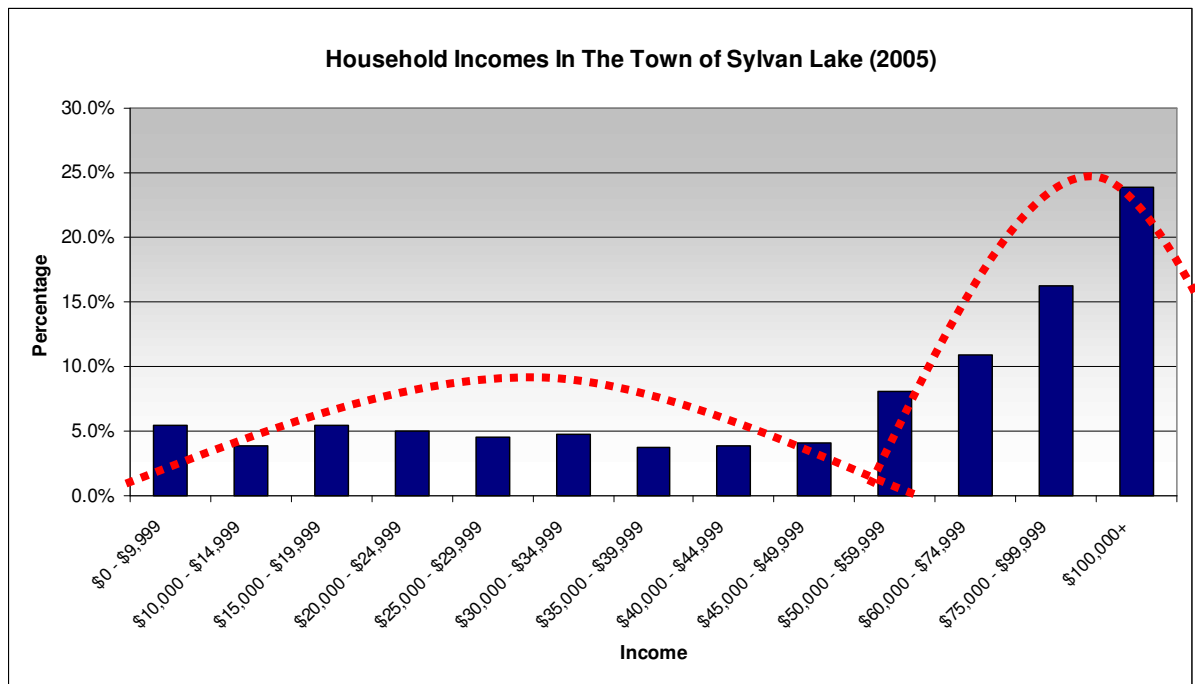
Statistics Canada Small Area and Data Division (Taxfiler Data)

NOTE: numbers are subject to rounding and suppression

It is reasonable to expect a twofold difference in the median incomes of two-parent families compared to lone-parent families and single individuals based on two-parent families having two income earners compared to single parents and single individuals having only one income earner. However, a threefold difference suggests that there may be a significant proportion of single parents in the community either on income support or working in the retail and tourism/hospitality industry along with a number of young adults (either new in their careers or working predominantly in the retail and tourism service sectors) and widowed seniors among single individuals. Each of these groups can be expected to be earning relatively low incomes as compared to married/common-law couples (a higher proportion of which are most likely well established in their careers and/or working in the oil and gas industry).

Figure 2 (next page) shows the distribution of incomes in 2005 for all households within the Town of Sylvan Lake according to published Taxfiler data. Based on the observed peaks and valleys shown by the figure (which are similar to the Town's recently published Municipal Census data), Sylvan Lake appears to be a very affluent community with a large percentage of high-income earners and relatively low percentages of low-income earners.

Figure 2: 2005 Household Incomes in the Town of Sylvan Lake



Data Source:

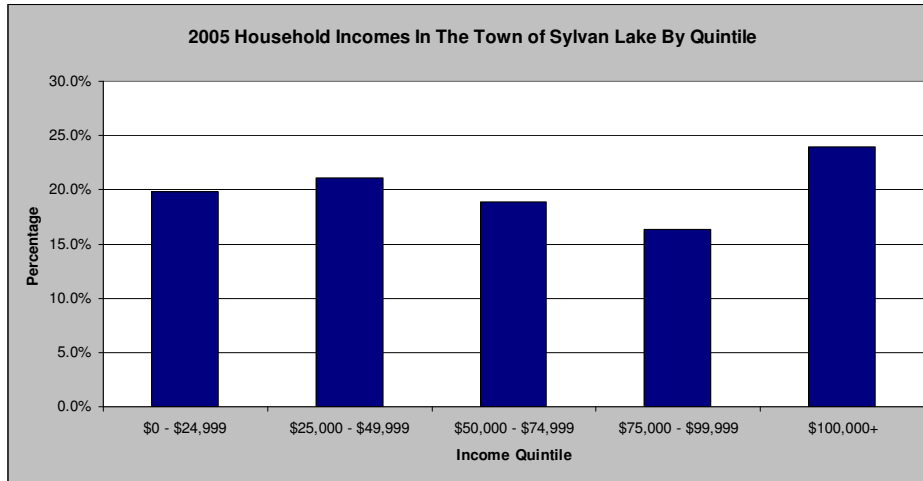
Statistics Canada Small Area and Data Division (Taxfiler Data)

NOTE: numbers are subject to rounding and suppression

The income data presented in this manner suggests that higher income earners may be driving the housing market towards the higher end of the spectrum making it more difficult for households in the lower income brackets to find suitably affordable housing.

The income data presented in this manner *could* also suggest that Sylvan Lake has very few low-income households as a percentage of all households in the community. However, this income information may be somewhat deceiving. In Figure 2 above, the lower income ranges are arranged around a \$5,000 spread (e.g., the difference between \$25,000 and \$29,999) whereas the higher income ranges are arranged around larger spreads (e.g., \$75,000 to \$99,999 and \$100,000+). Figure 3 (next page) shows a different version of the same data as presented in Figure 2 above but organized into income quintiles. According to this figure, the highest percentage of income earners in Sylvan Lake continue to be those households earning \$100,000 and above (as shown in Figure 2 above). However, an almost equal percentage of households earn incomes between \$25,000 and \$49,999. Approximately 41% of all households in Sylvan Lake earn less than \$50,000 per year. The income data presented in this manner suggests that the number and percentage of low-income households in the community is actually more significant than what might be commonly believed.

Figure 3: 2005 Household Incomes in the Town of Sylvan Lake by Quintile



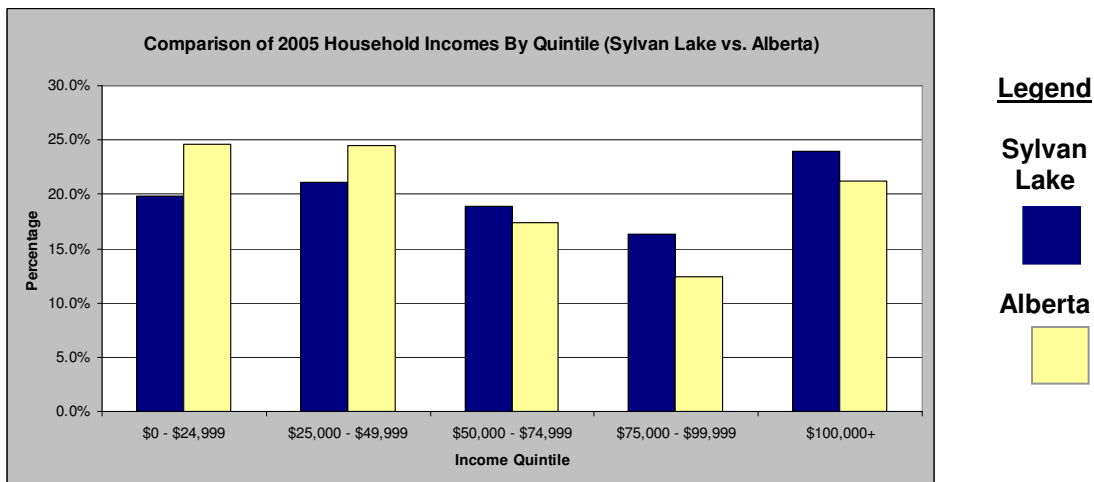
Data Source:

Statistics Canada Small Area and Data Division (Taxfiler Data)
 NOTE: numbers are subject to rounding and suppression

When compared to the province as a whole (Figure 4 next page), Sylvan Lake continues to remain overall a relatively affluent community. However, not everyone in Sylvan Lake is benefiting equally from this relative degree of affluence. There continues to be a large proportion of households in the community earning incomes at or below \$25,000 (some households are even earning less than \$10,000).

This has important implications for housing affordability and choice in the community since a large proportion of the Town’s low- and moderate-income residents may be priced out of the housing market.

Figure 4: Comparison of 2005 Household Incomes by Quintile for the Town of Sylvan Lake vs. the Province of Alberta



Data Source:

Statistics Canada Small Area and Data Division (Taxfiler Data)
 NOTE: numbers are subject to rounding and suppression

Chapter 4

Housing Supply Analysis

1.0 Introduction

An analysis of the local housing supply is important to gain an understanding of how closely the existing supply of housing meets the needs of the current population. The range of available housing types in a community can be defined in three ways:

- (1) **Market housing:** rental and ownership housing available on the open market;
- (2) **Near-market housing:** rental and ownership housing targeted specifically to low- and moderate-income households in the community and often made affordable through the combined efforts of and partnerships between local non-profits, the private sector and government; and
- (3) **Non-market housing:** supportive/transitional housing and emergency shelters in which residents' rents are fully subsidized through government and social programs.

This chapter looks at the existing supply of housing in all three categories currently available within Sylvan Lake. Data for this analysis was obtained from a combination of sources, including Town statistics, Statistics Canada Census data, and Alberta Municipal Affairs and Housing's 2007 *Apartment Vacancy and Rental Cost Survey*.

2.0 General Characteristics of the Existing Housing Supply

Statistics Canada Census data currently provides an account of the total number of private occupied dwellings – both rental and ownership – in Sylvan Lake for the years 1996, 2001 and 2006 (see Table 9).

Table 9: Private Occupied Dwelling Characteristics for the Town of Sylvan Lake (1996, 2001 and 2006 Statistics Canada Census Data)

Type of Dwellings	1996		2001		2006		% Change	
	N ^o	%	N ^o	%	N ^o	%	N ^o	%
Total Owned	1,355	71.9%	2,010	75.3%	2,810	76.7%	107.4%	6.7%
Total Rented	530	28.1%	660	24.7%	855	23.3%	61.3%	-17.0%
Total Dwellings	1,885	100.0%	2,670	100.0%	3,665	100.0%	94.4%	N/A

Source: Statistics Canada Census Data (1996, 2001 and 2006)

According to this data, the total number of occupied private dwellings has almost doubled in the last ten years. In 1996, there were 1,885 homes in the community. By 2006, that number had increased to 3,665 (an increase of 94.4%). In terms of owner-occupied homes, the total number more than doubled (107.4%) from 1,355 homes in 1996 to 2,810 in 2006. The total number of rental homes also increased but at a slower pace (61.3%) – from 530 homes in 1996 to 855 homes in 2006.

The vast majority of homes in Sylvan Lake are currently owner-occupied (76.7%). There has, however, been a shift in the relative percentages of rental vs. owner-occupied homes in the community. In 1996, 71.9% of homes were owner-occupied while 28.1% of homes were rented. In 2006, the proportion of owner-occupied homes increased to 76.7% while the proportion of rented homes declined to 23.3%. This suggests that there are relatively fewer opportunities for renters in Sylvan Lake today than there were ten years ago, even though the actual number of rental units has increased.

In addition to both rental and owner-occupied homes, Sylvan Lake offers a moderately diversified housing supply in terms of housing types. According to the 2007 Municipal Census, the vast majority of residential dwellings in Sylvan Lake consist of single-detached (single-family) dwellings. Table 10 (next page) shows that of the estimated 4,848 dwellings in the community, the majority (3,359 or 69.3%) are single detached homes. It is estimated that 14 of these homes contain basement or other secondary suites. The next most prevalent dwelling types in the community are apartments (410 units or 8.5%), row housing/townhouses (350 units or 7.2%), mobile homes (304 units or 6.3%) and a combination of duplexes (269 or 5.5%) and triplexes/fourplexes (111 or 2.3%). The community also maintains several “other movable dwellings” including fifth wheels and trailers, collective dwellings and residential units attached to non-residential buildings (e.g., mixed-use commercial dwellings).

**Table 9: 2007 Dwelling Characteristics for the Town of Sylvan Lake
(2007 Municipal Census Data)**

Dwelling Type	No. Dwellings	% Dwellings
Single-Detached Dwellings	3,359	69.3%
Suites in Single-Detached Dwellings	14	0.3%
Duplex	269	5.5%
Quad/Triplex	111	2.3%
Row Housing (Townhouse)	350	7.2%
Apartment	410	8.5%
Single Detached Attached to Non-Residential Building	6	0.1%
Mobile Home	304	6.3%
Other Movable Dwelling	23	0.5%
Collective Dwelling	2	0.04%
Unknown	0	0.0%
Total	4,848	100.0%

Source: Town of Sylvan Lake 2007 Municipal Census

3.0 Market Housing – Ownership

As mentioned above, an estimated 76.7% of homes in Sylvan Lake are owned according to Statistics Canada. These homes include:

- Modular/mobile homes (located both in rental parks and on privately-owned land);
- Stacked townhouses (i.e., apartment-style condominiums);
- Townhouses;
- Duplexes, triplexes and fourplexes;
- Single detached homes (Bungalows, 1-1/2 Storey, 2 Level Split, etc.); and
- A variety of recreational properties.

There are also expected to be a number of developable vacant lots throughout the community that are either zoned for residential or could potentially be rezoned to residential.

Statistics Canada Census Data provides data on changing average housing values between 1996 and 2001 (shown in Table 10 – next page).

**Table 10: Average Dwelling Values for the Town of Sylvan Lake
(1996, 2001 and 2006 Statistics Canada Census Data)**

Year	Average Dwelling Value
1996	\$101,116
2001	\$144,617
2006	Current Unavailable
Percent Change (1996-2001)	43.0%

Source: Statistics Canada Census Data (1996 and 2001)

According to this data, average housing values in Sylvan Lake increased by 43.0% between 1996 and 2001 (similar data is currently non available for 2006).

A survey of current Multiple List Service (MLS) online listings of homes for sale in Sylvan Lake provides a more current and detailed overview of housing prices in the community (see Table 11). This survey occurred during the month of October 2007 and involved reviewing 201 online listings.

Table 11: Average Home List Prices (MLS) in Sylvan Lake (October 2007)

Characteristics	N ^o Listings	Average	Median	Low	High
Single Detached	143	\$480,940	\$399,000	\$239,900	\$2,150,000
Duplex/Fourplex	11	\$273,260	\$274,900	\$214,900	\$349,000
Row/Townhouse	17	\$269,980	\$275,000	\$219,900	\$314,000
Condominiums	20	\$317,825	\$339,900	\$189,900	\$444,000
Mobile Home (Rented Land)*	7	\$66,100	\$67,450	\$19,900	\$119,900
Mobile Home (Owned Land)	3	\$182,470	\$179,900	\$169,000	\$198,500
Total Average**	201	\$429,245	\$357,900	\$19,900	\$2,150,000

Sources: MLS (<http://www.mls.ca>)

Data subject to rounding

** Includes Mobile Homes that must be moved by June 30, 2008.*

*** Does not include Mobile Homes on rented land.*

According to this survey, the average list price of a home for sale in Sylvan Lake in October 2007 (not including mobile homes on rented land – some of which must be moved by June 30, 2008) was approximately \$429,245 while the median list price (that list price where 50% of homes for sale are above and 50% are below) was \$357,900. The lowest priced home for sale (including land) was \$169,000 and consisted of a 930 ft², 30-year-old, 2-bedroom mobile home on a 50' x 120' city lot. In contrast, the most expensive home was a 2,250 ft², seven-year-old, 4-bedroom single detached home on a 76' x 200' lakefront lot.

Table 12 (next page) shows the changing nature of Sylvan Lake's housing market during the first three quarters of 2007 (i.e., January to March, April to June, and July to September). Between January and September 2007, a total of 331 homes were sold in the community ranging in sale price from \$150,000 to \$1,700,000. During the first

quarter of this year (January to March), a total of 92 homes were sold. The average sale price of these homes was approximately \$339,325 while the median sale price was approximately \$298,450. The number of sales and average sale prices both increased during the second quarter of this year (April to June). During this period, a total of 140 homes were sold with an average sale price of \$367,270 and a median sale price of \$339,500. During the third quarter of this year (July to September), the total number of sales declined to 99 while sale prices continued to increase with an average \$387,675 and a median of \$336,000. Overall, the average sale price of a home sold between January and September 2007 was \$365,605 and the median sale price was \$325,000.

Based on the average and median list prices identified in Table 11 above, housing prices in Sylvan Lake have continued to increase with an average October list price currently at \$429,245 and a median list price of \$357,900.

Table 12: Average Home Sale Prices (MLS) in Sylvan Lake (January – September 2007)

January – March 2007	N ^o Sales	Average	Median	Low	High
Single Detached	71	\$367,420	\$324,900	\$150,000	\$1,030,000
Duplex/Fourplex	4	\$264,750	\$272,000	\$210,000	\$305,000
Row/Townhouse	13	\$244,840	\$230,000	\$206,000	\$288,000
Condominiums	4	\$222,250	\$224,000	\$197,000	\$244,000
Total Average	92	\$339,325	\$298,450	\$150,000	\$1,030,000

April – June 2007	N ^o Sales	Average	Median	Low	High
Single Detached	109	\$400,860	\$369,000	\$194,900	\$1,600,000
Duplex/Fourplex	10	\$222,000	\$214,500	\$202,500	\$290,000
Row/Townhouse	17	\$275,300	\$286,000	\$212,000	\$300,000
Condominiums	4	\$206,000	\$204,000	\$190,000	\$218,000
Total Average	140	\$367,270	\$339,500	\$190,000	\$1,600,000

July – September 2007	N ^o Sales	Average	Median	Low	High
Single Detached	85	\$405,040	\$347,000	\$235,000	\$1,700,000
Duplex/Fourplex	4	\$266,000	\$272,750	\$215,500	\$303,000
Row/Townhouse	8	\$275,315	\$243,750	\$200,000	\$475,000
Condominiums	2	\$342,450	\$342,450	\$305,000	\$379,900
Total Average	99	\$387,675	\$336,000	\$200,000	\$1,700,000

Source: MLS. Data provided by Carl Step (RE/MAX Real Estate Central Alberta)

This pattern is the continuation of a long-term trend being experienced in communities throughout Alberta.

3.1 Market Housing – Entry-Level Ownership

One standard measure of relative housing affordability in a community is the “entry-level” housing market. Entry-level housing is defined as the lowest 25% (lowest quartile) of the housing market. Of an estimated 331 homes sold in the community between January and September 2007, the 83 lowest-priced homes could be considered “entry level”. According to MLS statistics, these entry-level homes sold for between \$150,000 and \$285,000.

Table 13 provides a breakdown of those homes by type. Based on these figures, approximately 43.4% of entry-level homes sold in Sylvan Lake during the first three quarters of 2007 consisted of single-detached homes followed by row housing/townhouses (31.3%), duplexes and fourplexes (15.7%) and finally apartment-style condominiums (9.6%).

**Table 13: January – September 2007 Entry-Level Housing Market in Sylvan Lake
(Based on MLS Data)**

Dwelling Type	N ^o . Sales	Percentage (%)
Single Detached	36	43.4%
Duplex/Fourplex	13	15.7%
Row/Townhouse	26	31.3%
Condominiums	8	9.6%
Total Average	83	100.0%

Source: MLS. Data provided by Carl Step (RE/MAX Real Estate Central Alberta)

While higher-density housing units such as condos and townhouses are typically thought to be a more affordable alternative than single-detached homes, this data suggests that:

1. Sylvan Lake may contain a number of older and smaller single-detached homes that are relatively more affordable than the newer homes being built in the community;
2. Sylvan Lake contains a much higher percentage of single-detached homes that overshadow the higher density units (i.e., the sheer volume of single detached homes available for sale compared to other housing types); and
3. New townhouse and condominium developments are likely being designed and marketed towards higher-income residents, seasonal homeowners and outside investors.

Based on the MSL data, 80% of the apartment-style condominiums sold in Sylvan Lake (eight out of ten units sold) were priced within the entry-level market as were 68.4% of the townhouses sold (26 out of 38 units sold). Conversely, only 13.6% of the single detached homes sold within the entry-level price range.

Based on the entry-level price figures presented above, a household would have to earn between \$46,500 and \$73,500 in order to purchase an entry-level home in Sylvan Lake. This is based on the following assumptions:

- Amortization: 40 years
- Term: 10-year fixed
- Rate: 6.80% (ATB 10-Year Guaranteed Rate Mortgage as of October 26, 2007)
- Downpayment: 5%
- Mortgage Insurance: Yes
- Mortgage Payments: Monthly
- Monthly Heat: \$150
- Annual Property Taxes: 0.5% of market value
- Other monthly expenses (e.g., credit car and car loan): \$450 max.

These figures suggest that the current price range for entry-level housing available on the open market is likely only affordable to dual income households, professional households, or households that are currently in the housing market and have earned equity (i.e., equity gained through previous homeownership). First-time homebuyers earning less than \$45,000 would not likely be able to afford most entry-level homes in Sylvan Lake without a sizeable downpayment.

Entry-level homeownership does not appear to be affordable to many single individuals, people working in the retail and service industry, people on income assistance, or people starting their careers in entry-level professional positions who are entering the housing market for the first time.

Based on 2005 Taxfiler data, as many as 36.7% of all economic households currently living in Sylvan Lake would not likely be able to purchase a home if they were just starting out in the market.

4.0 Market Housing – Rental

Alberta Municipal Affairs and Housing conducts an annual *Alberta Apartment Vacancy and Rental Cost Survey* to determine the cost and availability of formal rental units in 63 communities with populations more than 1,000 and that have 30 or more rental units.

The survey occurs during the months of June, July and August each year and typically examines only those private, non-subsidized buildings containing four or more rental units. In buildings that contain both subsidized and non-subsidized units, only the non-subsidized units were surveyed. In some communities, mixed commercial-residential developments that have fewer than four units are also included. The survey does not include rented single and semi-detached family homes, basement apartments or condominium units.

It should be noted that the 2007 *Alberta Apartment Vacancy and Rental Cost Survey* did not survey *all* rental units within the Town of Sylvan Lake. During the survey, a total of 173 rental units were identified in the community that met the survey criteria. However, only 134 units were accounted for in the survey – representing a 77.5% response rate.

Table 14 (next page) shows average rents and vacancy rates in 2007 for Sylvan Lake.

Table 14: Average Rents and Vacancy Rates in the Town of Sylvan Lake (2007)

Characteristics	N ^o	Rent/Mo. (Range)	Rent/Mo. (Average)	Vacancy
Bachelor	1*	\$495 – \$495	\$495	0.0% (0 units)
One-Bedroom	24*	\$475 – \$640	\$562	8.3% (2 units)
Two-Bedrooms	90*	\$510 – \$1,050	\$664	0.0% (0 units)
Three-Bedrooms	19*	\$550 – \$1,075	\$784	0.0% (0 units)
Four+-Bedrooms	0*	N/A	N/A	N/A
Total*	134* (173)	N/A	N/A	1.5% (2 units)

Source: Alberta Municipal Affairs and Housing

**NOTE: only 134 units of the 173 total rental units were accounted for in the 2007 survey.*

Based on this data, the current average monthly rent for a bachelor unit in Sylvan Lake (based on one unit surveyed) is \$495, the current average rent for a one-bedroom unit is \$562, a two-bedroom unit is \$664, and a three-bedroom unit is \$784. No data was collected on rental units with four or more bedrooms.

Actual rents vary greatly from the average. For example, monthly rents for one-bedroom units ranged from \$475 to \$640. Monthly rents for two-bedroom units ranged from \$510 to \$1,050. Monthly rents for three-bedroom units or larger ranged from \$550 to \$1,075. Anecdotal evidence derived during the focus group meetings and key person interviews indicates that monthly rents for two- and three-bedroom units may actually be higher with some units renting for \$1,200 and more.

Vacancy rates in Sylvan Lake are low. Typical vacancies in a healthy/stable rental market range between 2-3%. In Sylvan Lake, however, the total vacancy rate for the units surveyed was 1.5%. Only two (2) one-bedroom units out of the 134 units surveyed were vacant at the time of the survey. Low vacancy rates indicate that renters have limited choices and may be more susceptible to rental increases.

Alberta Municipal Affairs and Housing also produces historical rental data that shows the changing nature of the rental market over time in Sylvan Lake. Table 15 shows average rents and vacancy rates in the Town between 2000 and 2006 (with the exception of 2004 where no data is available).

Table 15: Average Rents and Overall Vacancy Rates in the Town of Sylvan Lake (2000 - 2006)

Unit Type	2000	2001	2002	2003	2004	2005	2006	% Change
Bachelor	\$425	\$475	\$460	\$460	--	\$495	\$495	16.5%
One-Bedroom	\$444	\$466	\$468	\$496	--	\$527	\$562	26.6%
Two-Bedrooms	\$489	\$567	\$587	\$614	--	\$643	\$664	35.8%
Three-Bedrooms	\$523	\$568	\$588	\$596	--	\$603	\$784	49.9%
Vacancy Rates	0.0%	0.6%	1.1%	3.3%	--	2.6%	1.5%	N/A

Source: Alberta Municipal Affairs and Housing

This data shows that vacancy rates have fluctuated over the seven-year period from a low of 0.0% in 2000 to a high of 3.3% in 2003. Since 2003, vacancy rates have gradually declined. Rental rates for most unit types have also undergone a relatively steady increase over that same period – ranging from 16.5% for bachelor units (an average annual increase of 2.4%) to 49.9% for three-bedroom units (an average annual increase of 7.1%).

Table 16 shows the incomes required to afford an average rental unit in Sylvan Lake based on the data provided by Alberta Municipal Affairs and Housing. Determining the incomes required to afford average rental housing in the community is based on CMHC’s standard measure of 30% gross income for housing.

Table 16: Average Rents and Incomes Required for Rental Units in the Town of Sylvan Lake (2007)

Unit Type	2007 Average Rents ¹	Income Required (30%) for Avg.	2007 Rental Range ¹	Income Required (30%) for Range
Bachelor	\$495	\$19,800	\$495 – \$495	\$19,800 – \$19,800
One-Bedroom	\$562	\$22,480	\$475 – \$640	\$19,000 – \$25,600
Two-Bedrooms	\$664	\$26,560	\$510 – \$1,050	\$20,400 – \$42,000
Three-Bedrooms	\$784	\$31,360	\$550 – \$1,075	\$22,000 – \$43,000

Source¹: Calculations based on rental data provided by Alberta Municipal Affairs and Housing

Based on this data, households in Sylvan Lake require an annual income of \$19,800 in order to afford the average rent for a bachelor unit, \$22,480 in order to afford an average one-bedroom unit, \$26,560 in order to afford an average two-bedroom unit, and \$31,360 in order to afford an average three-bedroom unit.

A household earning less than \$19,000 per year would not be able to afford even the lowest price rental unit (a one-bedroom unit) identified in the 2007 *Alberta Apartment Vacancy and Rental Cost Survey*.

For example, a single parent (requiring at least a two-bedroom unit) who earned an income of \$16,000 or less (approximately \$8/hour based on a 40-hour work week) could not afford the least expensive rental unit identified in the survey without exceeding CMHC’s 30% affordability threshold. In this case, the family might have limited options, including:

1. Living “unaffordably” by paying more than the CMHC standard of 30% on rental housing to obtain a suitable sized unit;
2. Renting a one-bedroom unit where the parent and child (or children) either shared a single bedroom (which is contrary to National Occupancy Standards) or family members were required to “sleep on the couch”; or
3. Finding shared accommodations (e.g., live with family members or friends).

5.0 Near-Market, Non-Market and Seniors Housing in Sylvan Lake

Near-market housing consists of rental and ownership housing targeted specifically to low- and moderate-income households in the community and often made affordable through the combined efforts of and partnerships between local non-profits, the private sector and government. Non-market housing consists of supportive/transitional housing and emergency shelters in which residents' rents are fully subsidized through government and social programs. Seniors' housing is a broad category that can include both near- and non-market options and, therefore, warrants its own section.

5.1 Near-Market Housing in Sylvan Lake

Near-market housing generally consists of the follows types of opportunities:

- Limited/shared equity homeownership options such as:
 - Housing Co-operatives
 - Co-housing
 - Perpetually affordable/resale restricted housing
- Staff-oriented rental accommodations
- Subsidized/social rental housing
 - Rent-geared-to-income rental units
 - Rent supplements

There are currently no limited/shared equity homeownership opportunities in Sylvan Lake in the form of either a housing co-op, co-housing or perpetually affordable/resale restricted homeownership. Nor did this study identify any staff-oriented rental housing (e.g., staff accommodations for community service workers such as RCMP officers).

There are currently seven (7) rent-geared-to-income community housing units in Sylvan Lake that are owned and managed by the Red Deer Housing Authority. These homes consist of single-detached dwellings and duplexes ranging in size from two- to three-bedrooms that are made available to low-income families with children at 30% of their gross (before-tax) income. The Red Deer Housing Authority also provides rent supplements to nine (9) Sylvan Lake tenant households.

5.2 Non-Market Housing in Sylvan Lake

Non-market housing consists of supportive/transitional shelters (e.g., group homes and second stage/transitional family violence shelters) and emergency shelters (e.g., homeless shelters, youth shelters and family violence shelters).

Sylvan Lake currently does not offer any formal emergency shelters given its proximity to Red Deer. Rather, in situations where women are fleeing domestic violence or people become homeless, the Sylvan Lake Family and Community Support Services (FCSS) assists them in finding appropriate accommodations in Red Deer. In terms of youth transitional shelter, Parkland Youth Homes Society recently opened a youth home in Sylvan Lake providing a combination of housing, counseling and supports to assist children and their families experiencing family conflict and instability.

Sylvan Lake also does not offer any formal group homes for cognitively or developmentally disabled adults. Rather, persons with severe physical disabilities either receive community supports in their family home or secure accommodations with Bethany Sylvan Lake in its Continuing Care facility.

Anecdotal evidence derived during the key person interviews suggests that there is a pending need for supportive independent living for developmentally disabled adults as those children currently enrolled in programs offered through the Kindercare Achievement Centre reach an age where they wish to move out of the family home yet remain in the community.

5.3 Seniors' Housing

Seniors' housing includes a range of near- and non-market options, including:

- Life Lease
- Independent Living/Self-Contained units
- Seniors' Assisted Living units
- Seniors' Supportive Living units
- Continuing Care beds

5.3.1 Seniors' Life Lease

Life Lease is an alternate form of homeownership for seniors' wishing to move out of their family home.

“Under a Life Lease Plan, residents purchase a *life lease interest*, at market value, in both the property and their suite, similar to purchasing a home or condominium. They then have exclusive use of their suite (and) shared use of all common areas and facilities.”⁷

In addition to the purchase price of the life lease interest, the resident also pays a monthly fee, similar to a condo fee, which represents the resident's share of ongoing maintenance and operating costs. When the resident (or the residents' estate as the case may be) wishes to sell the life lease interest, a portion of the original purchase price is refunded.

There are currently no seniors' life lease housing units in Sylvan Lake.

5.3.2 Seniors' Independent Living

Seniors' independent living units provide self-contained suites (e.g., bedroom, bathroom, kitchen and sitting area) along with common facilities for seniors who are functionally independent yet wish to live in a congregate setting. Limited services are provided other than basic housekeeping and Home Care where required.

⁷ Life Lease Associates of Canada, <http://www.life-lease.com/whatis.htm>

Sylvan Lake has twelve independent living suites for single seniors at the Sylvan Manor, which is owned and managed by the Sylvan Lake Foundation. Preference is given to seniors receiving the Alberta Seniors' Benefit (i.e., low- and moderate-income seniors on income assistance). There are currently seven seniors on the waitlist for the Manor.

5.3.2 Seniors' Assisted Living

Seniors' assisted living units provide a combination of housing, board, and supportive services/personal care assistance. Assisted living units are typically self-contained apartments for seniors or people with disabilities who need some support services to continue living independently, but do not need 24-hour facility care. Services provided include daily meals, social and recreational opportunities, assistance with medications, mobility and other care needs, a 24-hour response system and light housekeeping.

Sylvan Lake has 60 assisted living units at the Sylvan Lake Lodge primarily for single seniors (although there are some couples living at the Lodge). These units consist of one-bedroom units with private bathrooms. As with the Sylvan Manor, the Lodge is owned and operated by the Sylvan Lake Foundation and preference is given to seniors receiving the Alberta Seniors' Benefit. There are currently over twenty seniors on the waitlist for the Lodge with additional requests coming in almost daily as the winter months approach.

5.3.3 Seniors' Supportive Living

Seniors' supportive living provides similar housing and supports to that of assisted living but at a higher level of care. Generally, health-care-related support services are provided by an LPN in assisted living and by an RN in supportive living.

Sylvan Lake has 22 supportive living units, which are owned and managed by the Bethany Care Society. Twenty of these units are private studio rooms (private rooms with a separate bathroom). The other two units consist are shared rooms with two separate bedrooms. Waitlists and placement for Bethany Sylvan Lake are managed by the David Thompson Health Region.

5.3.3 Seniors' Continuing Care

Seniors' continuing care beds offer a wide range of services within a facility setting (e.g., nursing home, auxiliary hospital, long-term care facility) to seniors and persons with disabilities whose needs exceed those services provided in either an assisted living or supportive living environment.

Sylvan Lake has 40 continuing care beds for seniors and persons with disabilities along with a specially designed area for seniors with dementia at Bethany Sylvan Lake. As with the supportive living units, the continuing care beds are owned and managed by the Bethany Care Society with placement and waitlists managed by the David Thompson Health Region.

Chapter 5

Housing Needs Analysis

1.0 Introduction

Despite the variety of housing types and price ranges within the community, Sylvan Lake appears to be experiencing increased and ongoing challenges with housing affordability and choice. This chapter estimates the number of households within the community that may be facing housing challenges and/or hardships in either of three standard categories:

1. Housing adequacy (physical safety and maintenance of the home);
2. Housing suitability (proper size of the home given the size of the household); and
3. Housing affordability (the cost of the home related to the household's income).

Usually, housing affordability is the dominant issue in a community. However, it also tends to affect the other two. For example, households unable to afford the average price of market housing (either rental or homeowners) may find themselves choosing (or being limited to) housing that is too small to meet their needs. Alternatively, households that find themselves paying an excessive amount of their before-tax income on rent or mortgage payments may not be able to commit to the ongoing upkeep and maintenance required to keep their home in good condition.

2.0 Housing Adequacy

Housing adequacy refers to the physical safety of an individual dwelling. Housing is considered inadequate if it requires major repairs and/or is lacking necessary services and basic facilities. Major repairs refer to plumbing, electrical, ventilation systems, disposal systems, and the structural components of a house that might warrant it being unsafe. Basic facilities refer to potable hot and cold running water, and full bathroom facilities including an indoor toilet and a bathtub or shower. Additionally, housing is not adequate if it is infested with vermin or black mould.

Table 17 shows the degree to which dwellings in Sylvan Lake are in need of repair based on Statistics Canada Census data for 2001.

**Table 17: Repair Status of Homes in the Town of Sylvan Lake
(2001 and 2006 Census Data)**

Characteristics	2001		2006	
	N ^o	%	N ^o	%
Owned	2,010	75.3%	2,810	76.7%
Rented	660	24.7%	855	23.3%
Regular Maintenance Only	1,815	68.0%	N/A	N/A
Minor Repairs	640	24.0%	N/A	N/A
Major Repairs	210	7.9%	N/A	3.7%
Total Occupied Dwellings	2,670	100.0%	3,665	100.0%

Source: Statistics Canada 2001 Census

This data suggests that as many as 210 homes (7.9%) within the Town may have been in need of major repairs and, therefore, could have been considered inadequate in 2001. However, since that time, the number of such homes has declined to 3.7% according to Statistics Canada. This represents an estimated 135 of the total 3,665 homes identified in the 2006 Census.

2.1 Anecdotal Evidence of Housing Adequacy Issues

Anecdotal evidence derived through focus group meetings and key person interviews indicates that housing adequacy is an ongoing issue for a variety of low- and moderate-income households in the community.

Low- and moderate-income homeowners, including seniors, may not have the income and/or the knowledge, skills and experience necessary to adequately maintain their homes. In situations where this becomes an ongoing problem, it can lead to the need for significant repairs. Low- and moderate-income renters may not have the income, skills or (more importantly) the authority and obligation to address repair issues in their homes. Tenants who complain (either formally or informally) about the state of their accommodations may risk rent increases or eviction – placing them in a vulnerable situation. Landlords who do invest time and money into repairs and improvements are more likely to increase rents leading to increased affordability issues.

Homes in the community that may be considered affordable are more likely to be older homes which increases the likelihood of problems with adequacy. Many (but certainly not all) of these homes are likely to be found within the older cottage area of the community, in either of the community's trailer parks, and in the older neighbourhoods.

Examples of inadequacy issues cited during the key person interviews and focus group meetings include:

- Homes both with poor insulation and windows/doors that leak cold air leading to significant heating bills, especially during the winter months;
- Homes affected by recent flood damage;
- Noise between apartments and in basement suited due to thin walls, lack of sound insulation and/or poor construction;
- Lack of grading, snow plowing and sanding of back alleys and roads in the trailer parks causing problems for cars and pedestrians; and
- An apartment building in the community that appears to be subsiding into the ground.

Additional anecdotal evidence suggests that a number of older trailers in the trailer parks may be structurally stable and adequate as long as they are not moved. However, to move them could seriously jeopardize their structural integrity.

Accessibility was also identified as an issue for some in the community. The community generally lacks accessible and barrier-free units for persons with physical mobility and stamina limitations (including seniors, persons with brain injuries and physically disabled children and adults). For example, a three-story walk-up apartment or a bi-level/split-level home, while potentially more affordable, are generally not wheelchair accessible. In some cases, homeowners may be able to add wheelchair ramps, support bars, etc. to their homes. However, in some older homes, major structural changes such as wider doorways, lower counters and lower kitchen cabinets necessary to accommodate people in wheelchairs may not be feasible. Furthermore, low- and moderate-income households needing those renovations are less likely to be able to afford them. While there are funding programs available to assist with some of these upgrades, accessing these grants can be too daunting to some people (e.g., questions asked on applications may be too detailed, complex or probing for some applicants to answer without someone knowledgeable and experience to assist them).

Accessibility in terms of proximity and ease of access to basic services was also cited as a problem for some low- and moderate-income households. The location of some of the community's more affordable housing is far enough away from the community's downtown area, employment centres and core services (e.g., health care, community services, recreation facilities and schools). The absence of a public transportation system in Sylvan Lake means that some low- and moderate-income families without vehicles have to rely on taxis to get around – especially in the winter months. Bussing children to and from school can cost \$375 per year, which places a significant financial burden on some low- and moderate-income families.

3.0 Housing Suitability

Housing suitability refers to the size of the home in terms of bedrooms compared to the size of the family living in that home. National Occupancy Standards set minimum criteria for number of persons per bedroom and level of privacy for members of a household. These standards require:

- A maximum of two persons per bedroom;
- That the parent(s)'s bedroom be separate from that of the children(s)'s;
- That family members over the age of 17 not share a bedroom, and
- That family members over four years of age and of the opposite gender not share a bedroom.

Households that are unable to meet these occupancy standards are said to be living in overcrowded or unsuitable housing conditions.

There are currently no published data directly related to housing suitability in Sylvan Lake. However, Statistics Canada has identified that 0.8% of all private occupied dwellings (an estimated 30 dwellings in total) have more than one person per room.

3.1 Anecdotal Evidence of Housing Suitability Issues

Anecdotal evidence derived from key person interviews and focus group meetings indicates that there may be several low- and moderate-income families in Sylvan Lake living in overcrowded conditions. A generalized example includes new Canadians whose cultural background does not consider sharing rooms as an issue. More specific examples include a single mother with several children living in a one-bedroom home as opposed to a three-bedroom home required to meet National Occupancy Standards and a family of four living in a two-bedroom unit with a school aged brother and sister sharing a room (who, under National Occupancy Standards, should each have their own room).

Homes in the community that may be considered affordable are more likely to be smaller homes with fewer bedrooms which increases the likelihood of problems with suitability. Anecdotal evidence suggests that there are very few homes – especially rental apartments – with three or more bedrooms. Most of these units contain one or two bedrooms. Discrimination by landlords against larger families was also cited as an issue, especially for single parents with several children.

Some single parents find themselves having to move home with their parents (if their parents happen to live in the community) and share a room with their children. While this may be preferable for a parent with an infant, it may not be appropriate for older children. Other families may find themselves having to double or triple up in a bedroom and/or have family members sleeping on the couch.

Another issue somewhat related to suitability is incompatibility. Some low- and moderate-income singles (or families) may find themselves having to take on roommates. While in some cases, having a roommate can be an enjoyable and/or character-building experience, it can become problematic in situations where there are incidents of abuse, intimidation or theft occurring or significant personality conflicts.

4.0 Housing Affordability

Housing affordability relates to the ability of individual households to meet their monthly rent or mortgage payments within a reasonable threshold of their income. CMHC has determined that housing is affordable if it costs no more than 30% of a household's before-tax monthly income for rent or mortgage payments. In order to estimate the number of households within the Town of Sylvan Lake that are potentially facing housing hardships due to the cost of market housing, two standard measures are used:

1. The 2006 *Low-Income Cutoffs* (LICOs – pronounced “lie-koes”) as published by Statistics Canada; and
2. The 2007 *Core Need Income Thresholds* (CNITs – pronounced “snits”) as published by Alberta Municipal Affairs and Housing.

These measures are compared to income data derived from Statistics Canada Taxfiler data for 2005 (the most recent data currently published).

Another analysis prepared by Statistics Canada using 2001 Census data is also used to complement the analysis.

Estimating housing need can be tricky. While LICO and CNIT are the standard measures used to determine affordability needs, neither the LICOs nor the CNITs are able to take into consideration individual lifestyle choices or particular external needs. In other words, a household may be deemed to be low-income and in need of more affordable housing according to LICO or CNIT, yet because they purchased their home several years ago when housing prices were lower and/or with a sizeable downpayment, the household's actual mortgage payments may be within the 30% affordability range. Conversely, a household may be deemed to have an adequate income to afford average market housing, yet have particular health needs (e.g., special medications not covered under existing health plan(s), specialized diets, treatment by non-government-subsidized specialists, etc.) or supports (e.g., special assistance for a disabled child not covered under existing health plans or government programs) whose costs reduce the household's disposable income to the point where housing costs pose a challenge. Despite these limitations, LICOs and CNITs are the standards used for assessing affordable housing needs in a community.

Another challenge with estimating housing need is differentiating between “need” and “want.” It is often the case that what people seek in terms of more “affordable” housing are opportunities that bring the purchase price of the traditional single-family home down to a level that is affordable to a household earning \$30,000 or less (as it may have been 10-20 years ago). Neither the LICOs nor the CNITs take into consideration households' expectations of what housing looks like or where it is located. Rather, these measures are used to assess what is needed to provide for a household's minimum requirements based on national standards and who may be unable to achieve those minimum standards based on their income.

It should be noted that these figures are estimates only based on available Taxfiler data for 2005. Caution should be taken when assessing the *actual* number of households within each target group. A combination of data rounding and suppression found in the Taxfiler data, population growth and changes since 2005 not reflected in the data, and

different levels of housing equity among local households makes these numbers approximations at best.

4.1 Statistics Canada 2006 Low-Income Cutoffs

The *Low-Income Cutoff* (LICO) is a measure developed by Statistics Canada to estimate the number of households who could be considered “low-income” (as the name implies). LICO looks at what an average household spends on basic needs (food, clothing, and shelter) to determine at what income level households may be unable to meet their basic needs. The most recent estimate, adjusted for inflation, indicates that the average household spends 57% of its income on basic needs. If a household needs to spend more than 57% of its income on basic needs, it is considered low-income.

While the measure is not designed specifically to assess “poverty”⁸, the LICO is often used as such. Rather, Statistics Canada uses the LICO to estimate the number of households likely to be living under what it calls “straitened circumstances.”

It should be noted, however, that LICO may not necessarily take into consideration the cost of utilities. Rising utility costs can have a *significant* impact on affordability and housing stability. For some households, rising utilities costs can further erode already limited disposable income and put them “over the edge” in terms of their financial and housing stability.

Nor does LICO take into consideration regional variations (LICOs are nation-wide measures). For example, a community such as Sylvan Lake shares the same LICO with other urban communities across the country with populations less than 30,000. The combined cost of food, clothing and shelter in Sylvan Lake may not be the same as similar costs in other similarly-sized communities of Alberta, Saskatchewan, Ontario, and Newfoundland but they will all share the same LICO.

Table 18 shows the 2006 *before-tax* LICOs for rural Canadian communities such as Sylvan Lake.

Table 18: 2006 *Before-Tax* Low-Income Cutoffs (LICOs) for Urban Communities with Populations Less Than 30,000 (e.g., the Town of Sylvan Lake)

Household Size	Before-Tax LICO
One-Person	\$16,605
Two-Person	\$20,671
Three-Person	\$25,412
Four-Person	\$30,855
Five- Person	\$34,995
Six-Person	\$39,469
Seven+- Person	\$43,943

Source: Statistics Canada

⁸ Statistics Canada makes it very clear that the LICO is not a measure of actual poverty. However, it is one of several standard measures accepted across the country as just that.

Table 19 estimates the *approximate* number of households within the Town of Sylvan Lake whose income falls at or below the 2006 LICO according to the 2005 Taxfiler data. Note that Taxfiler data does not provide sufficient detail in terms of household size (i.e., the number of family households with four or more children) to estimate households whose income meets the six- or seven-plus-person LICOs.

Table 19: Number of Households within the Town of Sylvan Lake Whose Incomes Fall At or Below the 2006 *Before-Tax* Low-Income Cut-Off (LICO) for Urban Communities with Populations Less Than 30,000

Size of Family	Urban <30,000 ¹	Couples ²	Lone Parents ²	Singles ²	Total ²
1-person	\$16,605	--	--	340	340
2-persons	\$20,671	25	85	--	110
3-persons	\$25,412	10	50	--	60
4-persons	\$30,855	20	30	--	50
5-persons	\$34,995	10	--	--	10
Unknown Size	< \$20,000	50	10	--	60
Total		115	175	340	630

Source¹: Statistics Canada

Base Data Source² Statistics Canada Small Area Administrative Data Division Taxfiler Data

Note: numbers may be subject to rounding and suppression

Based on this estimate, there may be as many as **630 economic households** in Sylvan Lake who are considered to be living under “straitened circumstances” and therefore in need of more affordable housing. This represents approximately 13.7% of all economic households identified in the Taxfiler data as living in Sylvan Lake in 2005. These households include approximately 1,205 residents (11.8% of the 2006 Canada Census population) of which an estimated 340 are single individuals and 405 are children.

4.2 Alberta Municipal Affairs and Housing 2007 Core Need Income Thresholds

Core Need Income Thresholds (CNITs – pronounced “snits”) are established on an annual basis by Canada Mortgage and Housing Corporation (CMHC) and Alberta Municipal Affairs and Housing. Core housing need is a measure used to determine the number of households who must pay in excess of 30% of their gross (i.e., before-tax) income in order to acquire safe, adequate and suitable median-rental housing. Therefore, CNITs are often used to determine eligibility for subsidized housing/rent subsidies.

CNITs are based on 30% of the identified median market rents within a particular community. Households with annual incomes equal to or less than CNIT are said to have insufficient incomes to afford the on-going costs of suitable and adequate rental units in their area. The cost of rental housing is used because of the difficulty tracking individual household mortgage payments – which vary greatly according a variety of factors, including:

1. When the home was purchased (which affects the original purchase price of the home);
2. The size of the initial downpayment (which affects the total size of the original mortgage);
3. The particular interest rate and mortgage term (both of which affect the actual mortgage payments); and
4. Whether or not the household sought to refinance the mortgage (which may result in multiple mortgages with different terms and interest rates), etc..

Calculating core housing need is based on *National Occupancy Standards*, which (as described above) set minimum criteria for the number of persons per bedroom in a home and the level of privacy for members of a household. Based on these Occupancy Standards and for the purpose of this analysis, the following assumptions are made:

- All one-person households (defined as non-family persons in the Taxfiler data) and all two-person households (defined as couple families in the Taxfiler data) without children will require a one-bedroom unit;
- All couple families with one child and 50% of couple families with two children will require a two-bedroom unit;
- All lone-parent families with one child and 50% of lone-parent families with two children will require a two-bedroom unit;
- 50% of lone-parent families with two or three children and 50% of couple families with two or three children will require a three-bedroom unit; and
- 50% of lone-parent families and 50% of couple families with three or more children will require a four-bedroom unit.

Table 20 estimates the number of households within Sylvan Lake that may be in core housing need (i.e., paying more than 30% of their before-tax income on housing) according to the published 2007 CNIT data for Sylvan Lake.

Table 20: 2007 Core Need Income Thresholds (CNITs) for the Town of Sylvan Lake

Size of Unit	Sylvan Lake ¹	Couples ²	Lone Parents ²	Singles ²	Total ²
1-bedroom	\$22,000	30	--	520	550
2-bedroom	\$26,000	20	110	--	130
3-bedroom	\$31,000	20	50	--	70
4-bedroom	\$34,000	5	15	--	20
Unknown Size	< \$20,000	50	10	--	60
Total		125	185	520	830

Source¹: Alberta Municipal Affairs and Housing

Base Data Source²: Statistics Canada Small Area Administrative Data Division Taxfiler Data

Note: numbers may be subject to rounding and suppression

Based on 2005 Taxfiler data, there may be as many as **830 economic households** within Sylvan Lake whose incomes fall at or below the 2007 CNIT and, therefore, may

not earn sufficient incomes to afford housing appropriate in size (i.e., number of bedrooms) for their needs. This represents approximately 18.0% of all *economic* households identified in the Taxfiler data as living in Sylvan Lake in 2005. These households include approximately 1,425 residents (14.0% of the 2006 Canada Census population) of which an estimated 520 are single individuals and 455 are children.

Since these figures are based on *economic* households rather than *census* households, these figures do not take into consideration single individuals who share accommodations either out of choice (the desire to live together), out of necessity (the need to share the cost of housing), or out of practicality (most units the community have two-bedrooms).

4.3 Statistics Canada 2001 Analysis

Another analysis of affordable housing need within the Town of Sylvan Lake (although somewhat outdated in terms of data used) shows somewhat different figures. Using 2001 Census Data, Statistics Canada has estimated the number of households in Sylvan Lake paying more than 30% of their income on housing.

Table 21 shows two estimates: 1) an estimate of the number of households spending 30% or more of their income on housing; and 2) an estimate of the number of households spending 30%-99% of their income on housing. The 30%-99% measure is preferred by CMHC⁹ since, with various sources of credit (lines of credit, credit cards, etc.), it is possible, albeit rare, for a household to spend more than 100% of its income on housing within any given year.

Table 21: 2001 Statistics Canada Estimates of Household Payments for the Town of Sylvan Lake

Characteristics	Number	Percentage
Tenant households	660	100.0%
Average gross rent	\$775	N/A
Tenant households spending 30% or more of income on shelter	255	38.6%
Tenant households spending 30%-99% of income on shelter	215	32.6%
Owner households	2,010	100.0%
Average owner's major payments	\$990	N/A
Owner households spending 30% or more of income on shelter	405	20.1%
Owner households spending 30%-99% of income on shelter	325	16.2%
Total households (Tenants and Owners)	2,670	100.0%
Spending 30% or more of household income on shelter	660	24.7%
Spending 30%-99% of household income on shelter	540	20.2%

Source: Statistics Canada

Note: numbers may be subject to rounding and suppression

Based on these figures, Statistics Canada estimated that between **540 and 660 census households** in the community (20.2% - 24.7%) were paying in excess of 30% of their

⁹ Personal communication with Statistics Canada staff.

income on housing in 2001. This included between 215 and 255 tenant households and between 325 and 405 homeowners.

Should these percentages have remained constant between 2001 and 2006, Table 22 shows the estimated number of households in Sylvan Lake who may currently be paying 30% or more of their income on housing.

Table 22: 2006 Estimates of Household Payments for the Town of Sylvan Lake Extrapolated from 2001 Statistics Canada Estimates

Characteristics	Total
30% or More	
Estimated total households spending 30% or more on shelter (24.7%)	905
Estimated total population based on 2.7 persons per households	2,445
Estimated percentage of total population (2006)	23.9%
30%-99%	
Estimated total households spending 30%-99% on shelter (20.2%)	740
Estimated total population based on 2.7 persons per households	2,000
Estimated percentage of total population (2006)	19.6%
Total Private Households	3,665

Note: numbers may be subject to rounding and suppression

Based on the calculations used to derive these figures, between **740 and 905 census households** in Sylvan Lake *may* currently be paying 30% or more of their income on housing. This represents between 2,000 and 2,445 residents (or 19.6% - 23.9% of the total estimated 2006 population).

4.4 Households Paying More Than 50% of Their Income on Housing

Based on the published 2007 CNITs, it is possible to derive an estimate of the number of Sylvan Lake households paying 50% or more of their income on shelter. These households might be considered in “dire” housing need and therefore a high-priority target group. Table 23 shows how dire housing need has been calculated.

Table 23: 2007 Estimated Dire Housing Need Income Levels for the Town of Sylvan Lake

Size of Unit	CNIT ¹	Estimated Affordable Rent	Income at Which Estimated Affordable Rent Consumes 50%
1-bedroom	\$22,000	\$550	\$13,200
2-bedroom	\$26,000	\$650	\$15,600
3-bedroom	\$31,000	\$775	\$18,600
4-bedroom	\$34,000	\$850	\$20,400

Source¹: Alberta Municipal Affairs and Housing

Table 24 takes the dire housing need income levels above and estimates the number of households in Sylvan Lake potentially in this category.

Table 24: 2007 Dire Need Income Thresholds for the Town of Sylvan Lake

Size of Unit	Dire Need	Couples ¹	Lone Parents ¹	Singles ¹	Total ¹
1-bedroom	\$13,200	5	--	240	245
2-bedroom	\$15,600	0	75	--	75
3-bedroom	\$18,600	0	25	--	25
4-bedroom	\$20,400	0	10	--	10
Unknown Size	< \$15,000	45	10	--	55
Total		50	120	240	410

*Income Data Source¹ Statistics Canada Small Area Administrative Data Division Taxfiler Data
Note: numbers may be subject to rounding and suppression*

Based on 2005 Taxfiler data, there may be as many as **410 economic households** within Sylvan Lake who are paying 50% or more of their before-tax income on housing. This represents approximately 9.0% of all *economic* households identified in the Taxfiler data as living in Sylvan Lake in 2005. These households include approximately 705 residents (6.9% of the 2006 Canada Census population) of which an estimated 240 are single individuals and 245 are children.

4.5 Anecdotal Evidence of Housing Affordability Issues

Anecdotal evidence derived through focus group meetings and key person interviews indicates that housing affordability is a major issue for a variety of low- and moderate-income households in the community and the most important of the three (adequacy, suitability and affordability) not only because of the number of households experiencing affordability challenges but also because housing affordability directly affects and leads to housing adequacy and suitability challenges.

Housing affordability issues primarily affect low- and moderate-income families regardless of age group, family type or size, background or physical ability. Low- and moderate-income households typically affected by housing affordability in Sylvan Lake include:

- Single adults (young adults as well as older adults);
- Childless couples;
- Lone-parent families;
- Two-parent families with children;
- Persons with special needs (physical or developmental disabilities, brain injury, or mental illness);
- Parents with children leaving abusive relationships; and
- Seniors with limited or no assets.

Individuals and families experiencing difficulty with housing affordability in Sylvan Lake also include more “middle-class” households (i.e., households earning average or above-average incomes) who are faced with job loss, downsizing, divorce, long-term illness, and severe accident (e.g., brain injury, paraplegia, quadriplegia). These major life changes have affected either their ability to earn money or their particular housing needs (or both).

Other “middle-class” households who appear to be experiencing housing affordability challenges in Sylvan Lake include:

- Young professionals just starting their careers;
- People of all ages and walks of life only recently attempting to enter the housing market (by choice or otherwise); and
- Empty-nesters and seniors who own their homes and wish to downsize but, even after selling their homes, cannot find or afford what they would consider a more appropriate and accessible home in the community due to the high cost of new homes being built.

5.0 Incidents of Homelessness

Anecdotal evidence derived through focus group meetings and key person interviews indicates that homelessness is becoming more of an issue in the community. While exact figures or estimates are unavailable, homelessness includes both “absolute homelessness” people without homes living on the street, in their cars or in tents and campers) and “near homelessness” (people couch surfing or living in hotels). Homeless singles, youth and families have all been observed in the community by local community and social service providers.

Periodic homelessness is an issue for families living in cottages and other eight-month rental accommodations. These households find themselves having to camp during the summer months until weekly vacation rentals once again become available in the fall on a short-term or month-to-month basis. Those families unable to find permanent, year-round accommodations are more likely to tolerate these situations due to increased vulnerability and desperation.

The local RCMP has noted increased number of transients in the community, especially during the summer months. They are cited a situation were four individuals in the community routinely commit minor crimes so that they will be put in jail so they have food and a warm place to sleep.

6.0 Affordable Housing Targets

Based on the figures presented above, household income targets can be derived for affordable housing in the Town of Sylvan Lake. As mentioned above, caution should be taken when assessing the *actual* number of households within each target group. A combination of data rounding and suppression found in the Taxfiler date, population growth and change since 2005 not reflected in the data, and different levels of housing equity among local households make these numbers approximations at best.

The two housing targets for Sylvan Lake are as follows:

1. The **high-needs** group consisting of households estimated to be paying 50% or more of their before-tax household income on housing; and
2. The **medium-needs** group consisting of households estimated to be paying between 30% and 49% of their before-tax household income on housing.

According to the 2005 Taxfiler data, there may be as many as **410 economic households in the *high-needs* target group** and as many as **420 economic households (830 – 410 = 420) in the *medium-needs* target group.**

The *high-needs* target group will likely require a combination of heavily subsidized housing (rent-geared-to-income) for singles and families with children and various types of supportive housing (e.g., group homes) for persons with severe disabilities. Table 25 shows the maximum monthly housing payments (rents) the high-needs target group could afford to pay based on household size and income.

Table 25: Affordable Rents by Unit Size for Households in the High-Needs Target Group

Size of Unit	Income	Maximum Affordable Rents
1-bedroom	\$13,200	\$330
2-bedroom	\$15,600	\$390
3-bedroom	\$18,600	\$465
4-bedroom	\$20,400	\$510

The *medium-needs* group will likely benefit from a combination of moderately-subsidized rental housing and below-market/non-profit ownership housing (e.g., limited or shared equity homeownership). It is unlikely that any of the households identified in either the high-needs or medium-needs target groups would be able to afford homeownership without a combination of public subsidies (e.g., housing grants), municipal regulations and incentives, and resale restrictions applied to higher density developments such as stacked condominiums and townhouses. Table 26 shows the maximum monthly housing payments (rent or mortgage payments) the medium-needs target group could afford to pay based on bedroom size and income.

Table 26: Affordable Rents/Mortgage Payments by Unit Size for Households in the Medium Needs Target Group

Dwelling Size	CNIT ¹	Max. Affordable Rent/Mortgages
One-Bedroom	\$22,000	\$550
Two-Bedroom	\$26,000	\$650
Three-Bedroom	\$31,000	\$775
Four-Bedroom	\$34,000	\$850

Source¹: Alberta Municipal Affairs and Housing

7.0 Affordable Housing Priorities

Based on the figures presented above and assuming that half (50%) of the identified potential need (in terms of households in core and dire need) is already being met within the existing housing stock (i.e., low- and moderate-income households who were able to purchase their homes several years ago when housing prices were relatively more affordable), it is reasonable to assume that Sylvan Lake **may be in need of as many 400 new affordable housing units**.

These units would include a combination of:

- Emergency and transitional shelters (e.g., supportive housing for youth leaving home and individuals with and without children leaving abusive relationships);
- Long-term supportive housing (e.g., housing for low- and moderate-income seniors as well as persons with disabilities, including brain injury);
- Rent-geared-to-income apartment units, townhouses and single family homes and rent subsidies (e.g., social housing and rent subsidies for low-income singles, couples, and one- or two-parent families with children);
- Manufactured homes (mobile homes) on rented or leased land; and
- Resale-restricted near-market and entry-level homeownership.

These identified target dwelling types are based on perceived gaps in the housing continuum (see below) as identified by local individuals participating in the focus group meetings and key person interviews. Based on this feedback, Sylvan Lake is lacking sufficient housing throughout the lower end of the housing continuum.

Figure 5: The Housing Continuum



7.1 Short-Term (Immediate) Housing Priorities

Based on feedback during the focus group meetings and key person interviews, the most pressing and immediate priority for Sylvan Lake is to deal with the pending evictions from the Four Season's mobile home park. Anecdotal evidence indicates that the vast majority of the homes in the park cannot be moved for two reasons:

1. Most of the units are too old and newer mobile home parks will not accept any homes older than 2 years; and
2. Most of the homes in the park are not structurally sound enough to move even if another park would take them. While these homes may be fine where they are now if they are left alone, attempts to move them could result in irreparable damage.

If an appropriate solution to these evictions is not found, there is the potential for some of the residents currently living in the park may end up homeless as some of the residents can barely afford the land rents they are paying now let alone the going rates for rental apartments in town.

A second pressing need in the community is rent-geared-to-income housing for very-low income households currently living in campers, in eight-month rentals, or in unsuitable or extremely inadequate housing (e.g., cottages and trailers located in either of the parks not facing a June 2008 eviction). There are currently seven rent-geared-to-income homes in the community owned and operated by the Red Deer Housing Authority. Opportunities may be available through the Municipal Sustainability Housing Program and Capital Enhancement Program to increase the supply of this housing in the community by:

- Purchasing additional units on the open market;
- Re-profiling the existing units (i.e., selling the units and using the proceeds to purchase or build more appropriate units elsewhere in the community);
- Renovating five of the seven existing units (i.e., the five units that are single-detached homes) to include legally-conforming basement suites; or
- A combination of the above.

7.2 Longer-Term (Ongoing) Housing Priorities

In addition to the immediate needs identified above, Sylvan Lake is has an ongoing need for more rental housing that is affordable to households earning incomes less than \$35,000. This would include a variety of modest two- and three-bedroom units renting for between \$500 and \$850 per month. Given the high construction costs for new housing, the price of land in the community, and market forces, it is unlikely that these target rents could be achieved without a combination of municipal incentives, capital grants and rent subsidies.

In terms of homeownership, this would include modest-sized homes targeted to households earning between \$35,000 and \$50,000. Depending on current interest rates and the size of an individual household's downpayment, homes that are affordable to this income group range in price between \$100,000 and \$175,000. Again, given the high construction costs for new housing, the price of land in the community, and market forces, it is unlikely that these target rents could be achieved without significant public subsidies in the form of municipal incentives and capital grants. In the interest of long-term sustainability, any efforts to address this latter priority should focus on maintaining *perpetual affordability* through a combination of leasehold interest homeownership and resale formulas and restrictions.

A mechanism for identifying the specific number of households in each category along with their particular housing needs and affordability thresholds will need to be established in order to help the Town demonstrate need and work with the private and/or non-profit sectors to develop housing to meet these needs. The Town is also encouraged to explore opportunities for Home Ownership Education and Training (e.g., as provided through the HOME Program centered in Edmonton) to help educate and pre-qualify moderate-income households seeking homeownership.

Chapter 6

Community Impact Analysis

1.0 Introduction

If one accepts the notions that for an economy (the business environment) to remain healthy, vibrant and sustainable, it must be diverse; and if the same holds true for the natural environment, then it becomes intuitively correct that the same should also hold true for a community (the social environment). A diverse community contains a variety of household types and sizes and a population at various stages and life cycles – all with different and overlapping housing needs. Providing a variety of safe, appropriate, and affordable housing opportunities for all residents and life cycles therefore becomes essential in order to maintain a healthy, vibrant and sustainable community.

The lack of housing affordability and choice can have both direct and indirect impacts on individual households. Housing instability can lead to household instability which in turn can affect health, education, employment, economic success, community participation and social cohesion. Together, these impacts can have a spiraling effect, with a problem in one area causing problems in other areas and vice versa. While these impacts may not be felt directly by everyone in the community, they can be felt indirectly as community energy is channeled to social supports rather than community building. When individuals in the community fail to thrive, the community as a whole fails to thrive (i.e., fails to live up to its full potential).

What follows is a summary of the common impacts that the lack of appropriate housing affordability and choice may be having on the community. It is important to note that

these impacts are not unique to Sylvan Lake. Many other communities experiencing housing challenges experience these same issues. Rather, these issues are common downstream effects and responses to high levels of stress and despair brought about when an increasing number of households in the community are experiencing ongoing financial difficulties and when a community experiences rapid growth and change.

2.0 Family Impacts

Housing unaffordability can have a direct impact on families. Anecdotal evidence derived during the focus group meetings and key person interviews indicates that escalating housing prices in Sylvan Lake – particularly rental housing – are both exacerbating the level of financial difficulty low- and moderate-income households are currently facing and raising the threshold of incomes at which this becomes an issue (i.e., affecting more and more households not traditionally thought of as being “low-income”).

More and more families may be living pay cheque to pay cheque. This means that large unforeseen expenses can turn into major problems. Some parents are having to hold down more than one job in order to make ends meet and some teenage children are having to take on part-time jobs in order to help their parents maintain the household. Working several jobs can mean less time spent with children and each other. It can also increase one’s fatigue and stress levels. Higher levels of fatigue and stress can mean that “little things” get blown out of proportion, leading to big arguments.

One of the most common arguments that couples cited is over finances. Ongoing housing unaffordability can increase both the likelihood and the severity of those arguments; which can lead to family breakdown. Conversely, incompatible couples may stay together because the high cost and limited supply of alternate housing leads them to feel that there is nowhere else to go. While this can serve to maintain the family unit, it can also prove to be problematic in cases of domestic violence.

Feedback gathered through the focus group meetings and key person interviews confirmed that there are low- and modest-income parents in the community having to work multiple part-time jobs to make ends meet and, therefore, not being able to be at home supervising their children as much as might be preferred. This is leading to increase incidences of unsupervised children getting into mischief, causing harm to themselves or others. According to the RCMP, the majority of domestic violence calls to which they respond is either directly or indirectly related to financial issues in the family home. There have also been suggestions that men working in the oil patch and living part-time in work camps are increasingly being exposed to drugs and alcohol and bringing some of those issues home with them during their days off. Social service providers have indicated that a number of women experiencing domestic violence returning to their partners because they cannot find suitable, affordable accommodation elsewhere in the community. For these women, it may be better to remain in an abusive situation than homeless with their children.

3.0 Social Impacts

Working long hours and multiple jobs can have social impacts as well. Individuals may find that they are often overworked, overtired and/or have less time to socialize. They may also find that their inability to make ends meet leads to lower self-esteem and less desire to socialize. This can impact their sense of belonging in the community. People

facing housing affordability problems may be less likely to participate in community life and community events (e.g., declining church attendance, poor volunteer rates, low turnout for community events and programs, etc.). Residents who are finding it difficult to make ends meet may be compelled to move out of the community altogether. This can lead to high population turnover rates, which in turn makes it more difficult for neighbours to get to know one another, and has a negative impact on the small town atmosphere of the community.

It has become commonly accepted in the homelessness arena that a strong social network providing informal supports is critical to one's resilience and ability to overcome hardship. People without those networks or who have become isolated from their networks are therefore more likely to become homeless or at-risk of becoming homeless in the face of major crisis.

Feedback gathered through the focus group meetings and key person interviews indicates that children in low- and moderate-income families are not joining in sports not only because of the cost of the equipment but also because they are working either to help their families or to purchase other goods. Some children also feel too ashamed of their home environment to bring friends over after school and on weekends.

Sylvan Lake has also been described as “a lonely town” due to the inability for new residents (especially lower-income residents and residents without children) to connect with others in the community and develop social networks. For low-income households, there is lost trust in “community” and fear of the stigmas associated with social supports. They also often feel judged by others, undervalued, and disrespected – especially when prejudice leads to discrimination in the rental market, statements supporting the removal of trailer parks (their homes) and the feeling that the broader community would simply rather they move somewhere else.

Low-income households in the community that are unable to make ends meet are also more likely to cancel their cable television and internet services. While this helps to put food on the table, it also increases their level of withdrawal and isolation from “the outside world” (e.g., news and information as well as their ability to interact with friends and coworkers catching up on what happened during the latest episode of their favorite television series).

4.0 Health Impacts (Physical and Emotional)

People whose housing costs take up too much of their take-home income tend to have less time, energy and money to spend on preventive health and maintaining a healthy diet. For example, it is commonly known that low-income single mothers do not always eat properly, especially if they run out of money before the end of the month to buy food (in these situations, single mothers will often feed their children but not themselves).

The lack of a healthy, stable diet can lead to a variety of medical problems down the road (which may be further exacerbated by high levels of stress – ulcers, for example). Lack of disposable income can mean that people may not be maintaining regular health check ups (e.g., going to the dentist) which can lead to chronic health problems down the road. Furthermore, households with affordability problems are less able to afford needed medicines. Children from families with inadequate housing are significantly more likely to get sick and more likely to be hospitalized due to illness.

The inability to make ends meet can also have a significant impact on the emotional well-being of individuals in the community (e.g., lowered self-esteem, chronic feelings of helplessness and hopelessness, etc.). These feelings can lead to chronic or severe depression and anxiety. In some cases, people may turn to drugs and alcohol to alleviate their feelings of despair – which can lead to substance abuse. For males who find their egos eroding because they feel they cannot adequately care for their families, feelings of frustration can lead to anger and violence.

Overall, these issues tend to lead to increased use and reliance on social and community services related to poverty (e.g., the local food bank, social assistance, etc.).

Feedback gathered through the focus group meetings and key person interviews indicates that the local mental health clinic “is busier than ever” due to increased incidences of depression and anxiety resulting from financial stresses and people feeling overwhelmed by their housing situations. Those in the community with low- and modest-incomes are less likely to feel welcomed or wanted and this is leading to depression. Some feel as though they are seen as pariahs. This is exacerbated by casual made both in public or private that low-income people who cannot afford housing in Sylvan Lake should go elsewhere to meet their housing needs. The community’s health and social service workers are also noting higher incidences of prescription drug abuse, alcohol abuse and problem gambling as people find themselves unable to cope with their financial situations.

Pets can play an important role in maintaining one’s mental health. However, pets are often not allowed in most rentals – be they apartments or single family homes.

In terms of physical health, problems with allergies and asthma due to inadequate housing (including poor insulation and problems with mould in some of the older homes and cottages) appear to be on the rise as are problems associated with poor nutrition. These can have spiraling effects as health problems lead to missed work and lost wages for part-time workers without health benefits, which further exacerbates affordability issues.

The combination of poor physical health and poor mental health increases the chances of some people falling into poverty (and, in some extreme cases, becoming homeless) reduces opportunities for others to break the cycle of poverty for themselves and their children.

5.0 Educational Impacts

It is widely recognized that people with housing affordability problems have less time, energy, and money to pursue educational upgrading or training. This can impact their employability and wage earnings thus exacerbating housing affordability problems. Children who are living in unaffordable and inadequate housing conditions typically achieve less in school due to poor nutrition, poor health, stressful and more hazardous home environments, negative social behaviour, etc. They are also less likely to finish school or go on to pursue a higher education. (NOTE: scholastic performance has more to do with household stability, a sense of belonging and family values around education than it does I.Q.).

Feedback gathered through the focus group meetings and key person interviews indicates that more and more children are working part-time jobs after school which is affecting not only their ability to finish their homework but also the time available for them to play and “be children”. Children living in overcrowded conditions are also finding it difficult to study after school either because they are caring for their siblings while their parents are at work or because the home environment is too noisy and hectic. Some children are coming to school overtired, overstressed and hungry leading to issues in the classroom.

Overstressed parents are less able to assist their children with school work and enforce positive scholastic behaviors when they get home. There is also the fear among both children and parents that to ask for help may lead to child welfare getting involved.

There are also issues with adults foregoing educational upgrading because they are too busy working multiple jobs to pay the rent. There is also the fear in the community of increased drop-out rates from high school as youth are able to secure relatively high-paying jobs in the oil and gas industry.

The combination of adults foregoing educational upgrading and children either doing poorly in school and/or not pursuing higher education decreases the chances of families, children and singles experiencing significant affordability challenges being able to break the cycle of poverty.

6.0 Economic Impacts

Local businesses may be finding it difficult to recruit and retain skilled staff as a result of local housing unaffordability. This may be because:

- Workers are moving from job to job trying to find a high enough paying job to afford housing;
- Workers living in unstable, unaffordable housing are moving often trying to find suitable housing;
- Skilled workers not moving into the community because more affordable housing opportunities exist in other communities; etc.

As a result, local business may experience high staff turnover rates (which increases training costs) and poor staff efficiency. Some businesses may find they have to reduce the level of services offered to the community, for example:

- Hotels closing rooms and even entire floors because they are unable to hire and retain enough housekeeping staff to clean the rooms;
- Fast food restaurants having to reduce their hours of operations due to a lack of staff to fill shifts; and
- Retail outlets hiring less experienced and/or less engaged staff who are not able to provide the same quality and level of service as before;

In response to the higher housing costs, some businesses (especially those in the retail and service sectors) may have to increase wages or offer incentives to attract workers. Increased staffing costs can lead to lower profits, which can be hard on small

businesses with low profit margins. Some businesses may decide to move out of the community altogether as a result of these problems. Local residents living in unaffordable homes may also find that they have less disposable income to purchase local goods and services – which represents a loss of economic opportunities for local businesses.

Feedback gathered through the focus group meetings confirms that Sylvan Lake is experiencing many of these impacts. Specific examples include:

- The local McDonald's and A&W closing early because they can't fill the shifts;
- House framers sleeping in their vehicles because they don't want to pay the tourist rates for hotel accommodations;
- Local residents shopping outside the community where prices are cheaper;
- Local business owners working longer hours to cover shifts due to lack of staff;
- Local residents not going out to eat in local restaurants as much because the quality of service has declined "to frustrating levels"; and
- Difficulty attracting skilled labour to the community including teachers, trades workers, emergency medical staff (e.g., fire fighters), and health care workers.

7.0 Conclusion

Anecdotal evidence derived from the focus group meetings indicates that Sylvan Lake may be experiencing numerous negative impacts as a result of declining housing affordability and choice. Together, these impacts may be having a spiraling effect on both individuals and the community as a whole, affecting its long term health, economic sustainability and social vitality.

The lack of an appropriate range of housing affordability and choice may be preventing Sylvan Lake from achieving its Community Vision to the fullest degree possible in terms of:

1. Natural Beauty
2. Living Together
3. People Connecting
4. Healthy Living
5. Balance

Appendix A

Glossary of Common Housing Terms

Aging in Place: Aging in place is growing older without having to move from one's present residence in order to secure necessary support services in response to changing needs. This enables elderly people to grow older in the familiar and comfortable surroundings of their homes while providing them with the assistance necessary to maintain a relatively independent lifestyle.

Barrier-Free Design: Environments that contain no architectural, design, or psychological features that might prevent anyone, able-bodied or impaired, from using the environment to the full extent of their abilities.

Care Centre (Long-Term Care, Continuing Care Centre): Facilities that provide accommodation in a setting for residents with very high personal care needs, who require the availability of 24 hour a day support for unscheduled professional health care needs. These settings may be owned by public, private not for profit, or private organizations.

Congregate Housing: Multi-residential settings generally targeted to a specific group (e.g. seniors). Residents usually have fully self-contained, independent living units that contain their own kitchens and bathrooms. Units are generally studio or one bedroom in size. The suites are intended for individuals who are physically and mentally capable of living on their own with minimal supports. Supports that are provided usually involve an arrangement between the resident and the service provider.

Continuing Care System: Continuing care is a system of service delivery. The system provides individuals who have health conditions or disabilities with integrated access to the services they need in order to maximize their independence and quality living. These services include professional services, personal care services, and a range of other health and social services. They may be provided for a short term or a long term and in a variety of settings including the home, supportive housing and/or long term care centres.

Co-Operative Housing: A housing development in which individual residents own a share in the co-operative. This share grants them equal access to common areas, voting rights, occupancy of an apartment or townhouse as if they were owners, and the right to vote for board members to manage the co-operative. Each member has one vote and members work together to keep their housing well-managed and affordable.

Core Housing Need: a term developed by CMHC that refers to households which are unable to afford shelter that meets adequacy, suitability, and affordability norms. A household is in Core Housing Need if it is living in inadequate housing, housing that is unsuitable to its needs, or housing that is unaffordable according to the 30% benchmark.

Core Need Income Threshold (CNIT): CNITs set maximum income levels for different sized units in different areas of the province. These incomes represent the most people can earn and remain eligible for a rent subsidy. Below these income levels, it may be difficult for people to find un-crowded housing in good repair, without spending more than 30 per cent of their income for rent.

Group Home: A small, community-based development, usually under 10 beds/units, that provides affordable housing with supports to those with special needs including individuals with severe mental and physical disabilities, youth, and women with their

children fleeing abuse. BC Housing provides administration and property management support for group homes on behalf of other provincial ministries and health authorities.

Home Care: daily living assistance with personnel hygiene, medical assistance, medication administration and various forms of therapeutic assistance provided in one's own home to help people live as independently as possible.

Homeless: There are two general categories of homeless people (be they individuals or families): **Absolute Homeless** refers to persons who are living with no physical shelter – on the street, in doorways, in parkades, in parks and on beaches as well as people staying temporarily in emergency shelters. **Near Homeless** refers to people who are “couch surfing” or are staying temporarily with family or friends (i.e., they have safe shelter but that shelter is not their own and is only temporary indicating the likelihood that they may become absolute homeless).

Homeless Shelters: Housing for the homeless falls under two categories: 1) emergency shelters; and 2) transitional housing.

Emergency Shelters provide temporary, typically overnight accommodation to individuals who would otherwise sleep in the streets. Shelters may also provide supportive services in relation to addictions, health, education and employment needs.

Transitional Housing aims to provide temporary accommodation (six months to two years) for individuals who wish to stabilize their housing situation while resolving other issues in their lives, such as unemployment, addictions, education and violence. Transitional Housing units typically have access to a mix of supportive services that enable an individual to move towards self-sufficiency.

Housing Adequacy: Adequacy refers to the physical safety of the individual dwelling. The Public Health Act, Regulation 241/85 provides a series of conditions in which housing is considered to be inadequate. Housing is inadequate if it requires major repairs and/or is lacking the necessary services and basic facilities. Major repairs refer to plumbing, electrical, ventilation systems, disposal systems, and the structural components of a house that would warrant it being unsafe. Basic facilities refer to potable hot and cold running water, and full bathroom facilities including and indoor toilet and bathtub or shower. Additionally, housing is not adequate if it is infested with vermin.

Housing Affordability: Housing affordability relates to the ability of individual households to meet their monthly rent or mortgage payments within a reasonable threshold of their income. CMHC has determined that housing is affordable if it cost not more that 30% of a household's gross monthly income for rent or mortgage payments. Assessing the level of housing affordability is based on a comparison of median house prices and average market rents to local income levels. Households that are more likely to be facing housing affordability problems include:

- (a) Low-and moderate income households (less income to afford local shelter costs).

- (b) Single income earning households (more likely to have low or moderate incomes).
- (c) Households on fixed incomes (less able to adapt to increasing shelter costs).
- (d) Renter households (typically lower income, have less equity, and are more vulnerable to rent increases. Also lenders are unlikely to qualify a household for a mortgage if their total shelter costs exceed 32%).

Housing Suitability: Housing suitability refers to the size of the home in bedrooms compared to the size of the family living in that home. Accommodation is not suitable if:

- (a) more than 2 persons must share a bedroom and there is at least 1 individual in each of the other bedrooms,
- (b) an individual, 18 years of age or older, must share a bedroom with another member of the household, unless that individual is married or in a common-law relationship with that member, or
- (c) an individual, 5 years of age or older, must share a bedroom with an individual of the opposite sex.
- (d) Housing suitability is most likely to be an issue for large low-and moderate-income families since these families may not be able to afford the rents or mortgages on larger homes (homes that have enough bedrooms).

Independent Seniors Housing: Independent living units are designed for seniors in congregate living settings who are functionally independent. Each unit, rented or owned, has its own bathroom and kitchen with little or no support services provided or available from the facility.

Low-Income Cutoff (LICO): The Low-Income Cutoff (LICO) is generally used to identify low-income households. These figures are published annually from Statistics Canada. LICOs are income thresholds, determined by analyzing family expenditure data, below which families will likely devote a larger share of income to the necessities of food, shelter and clothing than the average family would. To reflect differences in the costs of necessities among different community and family sizes, LICOs are defined for five community-size and seven family-size categories. LICOs are updated each year using the annual Consumer Price Index.

Rent-Geared-to-Income: Instead of a flat rate payment for rent, rent fluctuates depending on household income (usually 30% of total before-tax household income).

Seniors Assisted Living: Residentially-oriented accommodation primarily targeted to seniors, providing a combination of housing, board, and supportive services/personal care assistance. Assisted living units are typically self-contained apartments for seniors or people with disabilities who need some support services to continue living independently, but do not need 24-hour facility care. Services provided include daily meals, social and recreational opportunities, assistance with medications, mobility and other care needs, a 24-hour response system and light housekeeping. It is important to note that there is considerable variability in operating philosophies, services and the staffing available in these projects.

Seniors Supportive Living: An intermediate housing option for seniors between home living and facility living that offers shelter and supportive services in a private, yet congregate living setting. Supportive Housing is a non-institutional approach for seniors who are no longer able to live independently in their family home that focuses on health promotion, well being, independence and the functional abilities of seniors. The housing may be self-contained (providing full private living units in combination with common amenity space) or shared (providing a private living area with common kitchen, dining and amenity areas and possibly bathrooms). The primary difference between Assisted Living and Supportive Living is the particular professional designation of the primary care provider (e.g., an LPN in Assisted Living and an RN in Supportive Living).

Subsidized Housing: This type of housing encompasses all types of housing in which the provincial government provides some type of subsidy or rental assistance, including public, non-profit and co-operative housing, as well as rent supplements for people living in private market housing. It also includes emergency housing and short-term shelters.

Special Needs Housing: housing which is provided usually in the form of a “group home,” and is designed for persons with special needs such as physical and/or developmental disabilities. The group home residents are generally provided with support services that assist them with daily living needs. Projects are typically owned by community non-profit groups and subsidies are provided by the Federal and Provincial governments.

Universal Design: A philosophy of housing design that enables easy modification to the housing unit as the physical needs of the individual(s) change. This approach facilitates the accommodation of changing physical needs through the life-cycle.

Appendix B

Data Sources and Limitations

1.0 Sources of Data Used in This Study

The key statistical data on Sylvan Lake's population and income attributes used to develop this study come from Statistics Canada through the following:

- 1996, 2001 and 2006 Canada Census data; and
- 2001-2005 Taxfiler data.

1.1 Statistics Canada Census Data

Statistics Canada Census Data is collected every five years. Every household in Canada is included in the Census using either of two questionnaires. While 80% of all households receive a short form of the Census questionnaire (containing eight questions), more detailed information is collected from the other 20% of households using a longer questionnaire consisting of the same eight questions in the short questionnaire along with 53 additional questions. Data collected from the long questionnaire is then used to derive aggregate measures for the population as a whole. The data provided for each reference year is based on data collected during the second week (usually the Tuesday) of May in that year. For example, data for the 1996 Census was collected on May 14, 1996; data for the 2001 Census was collected on May 15, 2001; and data for the 2006 Census was collected on May 16, 2006.

1.2 Statistics Canada Taxfiler Data

Taxfiler data is compiled by the *Small Area and Administrative Data Division* of Statistics Canada based on information provided on all personal income tax returns filed within a given year. The data combines information on levels and sources of income from taxfilers and demographic indicators derived from both the taxfilers and their non-filing dependents.

Taxfiler data is collected only for those individuals/families who filed a tax return within a given year. Individuals or families who did not file a tax return are excluded from the data. Thus, the information used to derive family units represents approximately two-thirds of the Canadian population¹⁰. Taxfilers from the same family, including children, are matched using common links (spousal social insurance number, same surname, same address). Non-filer children are added to the family using the Canada Child Tax Benefit (CCTB) file, provincial birth files, and Taxfiler data collected from previous years¹¹. The remaining taxfilers who have not been matched with a family are labeled non-family persons. Non-family persons are not living with a spouse, child, or parent. They may be living with extended family (grandparent, cousin, etc.), with unrelated persons (lodger, roommate), alone, or cohabiting with another non-family person¹².

Taxfiler data differs from Census data in that Census data derives information on physical households (i.e., persons living together within a single housing unit) whereas Taxfiler data collects derives information on economic households (i.e., persons living together as a single economic unit – or family). Thus Census data would record two

¹⁰ Small Area and Administrative Data Division, Statistics Canada, 2001.

¹¹ *Ibid.*

¹² *Ibid.*

single individuals living as roommates in a single apartment as one household, the Taxfiler data would record these individuals as two separate households (unless the two individuals filed their income tax returns as either a married or common-law couple).

2.0 Limitations Inherent in the Data

Discrepancies in the data may exist between that derived by Statistics Canada through its Canada Census and that derived from taxfiler sources. All Statistics Canada data are subject to rounding. Census data is rounded to a base of 5. Thus a count of 4 and a count of 7 would both be rounded to 5. Data rounding may lead to certain inaccuracies and/or inconsistencies both within the Census database and between data summary tables. In terms of Taxfiler data, all data on number of persons is rounded to a base of 10. For example, a count of 15 would be rounded to 20 and a count of 14 would be rounded to 10. Data on income levels is aggregated to the nearest thousand dollars and rounded to the nearest five thousand dollars. This rounding can affect the results obtained from calculations, including calculating percentages. Results may be distorted, especially when dealing with small numbers.

For confidentiality reasons, Taxfiler data is also subject to suppression whenever data collection areas comprise less than 100 taxfilers or when individual data represents less than 15 taxfilers. Furthermore, when one category in a two-category data cell is suppressed, the second category must also be suppressed to avoid disclosure of confidential data by subtraction (called residual disclosure)¹³. This includes data on income, gender, age and area. It is expected that both data suppression and data rounding may be significant.

In addition to the data challenges discussed above, this study is also hampered by the current unavailability of detailed 2006 Census data.

3.0 Expected Impacts of Data Limitations

It should be clearly noted that the combination of data discrepancies, suppression and rounding can and will limit the accuracy of the calculations and projections prepared for this needs assessment. **Therefore, the numbers presented in this report should be accepted as estimates only of potential housing need and cannot be relied upon as exact figures of actual housing need.**

¹³ *Ibid.*

